


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 04 JUN 2025	DAY. Wednesday
TABLED BY:	Hon. Naomi Wago, MP Deputy Majority Whip
CLERK-AT THE-TABLE:	Irene Nduku

THE AUDITOR-GENERAL

ON

**AIC ITOLONI GIRLS' SECONDARY
SCHOOL**

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

KITUI COUNTY

Revised 30th June 2024.



AIC ITOLONI GIRLS' SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

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Annual Report and Financial Statements For the year ended 30th June 2024

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1. Acronyms and Glossary of Terms

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

2. Key School Information and Management

(a) Background information

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

The school was registered in 2006 under registration number **15S300012247** and is currently categorized as an Extra *County school* established, owned or operated by the Government.

The school is a /boarding school and had 434 number of students as at 30th June 2024. It has 3 streams and 21 teachers of which 2 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	Dr, Winfred Ndumu	Chairperson	4th May, 2022
2	Peninah Muthangya	Vice Chairperson	4th May, 2022
3	Eunice Titus	Secretary/Principal	4th May, 2022
4	Jacob Ngwele	Member	4th May, 2022
5	Stephen Munyiithya	Member	4th May, 2022
6	Gabriel Mbuvi	Member	4th May, 2022
7	Titus Maluki	Member	4th May, 2022
8	Daniel Mutunga	Member	4th May, 2022
9	Patrick Koki	Member	4th May, 2022
10	Raphael Maluki	Member – Rep CEB	4th May, 2022
11	Clevenge Musindalo	Member Rep Teachers	4th May, 2022
12	Gabriel Mbuvi	3 Members - Sponsor	4th May, 2022
13	Philip Mbivya	Member - Community	4th May, 2022
14	Danson Ngongo	Member Special Needs	4th May, 2022
15	Sharon Chesi	Rep Students	4th May, 2022

Annual Report and Financial Statements For the year ended 30th June 2024**The functions of the School Board of Management are to:**

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee			
		Dr. Winfred Ndumu	Chairperson	2 out of 2
		Pst. Penninah Muthangya	Vice Chairperson	2 out of 2
		Eunice Titus	Secretary	2 out of 2
		Gabriel Mbuvi	Member	2 out of 2
2	Audit Committee	Titus Mutisya	Member	2 out of 2
		Danson Ngongo	Chairperson	1 out of 1
		Josphine Esther	Secretary	1 out of 1
3	Finance, procurement and general purposes Committee	Jacob Ngwele	Member	1 out of 1
		Titus Mutisya	Member	1 out of 1
		Dr. Winfred Ndumu	Chairperson	1 out of 1
		Eunice Titus	Secretary	1 out of 1
4	Academic Committee	Jacob Ngwele	Member	1 out of 1
		Prisca Kazungu	Chairperson	1 out of 1

Annual Report and Financial Statements For the year ended 30th June 2024

		Clevenge Musindalo	Secretary	1 out of 1
		Rose Makaa	Member	1 out of 1
5	Development Committee			
		Stephen Musyoka	Chairperson	1 out of 1
		Musyoka Katee	Secretary	1 out of 1
		Philip Mbivya	Member	1 out of 1
		Dr. Winfred Ndumu	Member	1 out of 1
		Patrick Koki	Member	1 out of 1
6	Discipline and welfare Committee			
		Peninah Muthangya	Chairperson	1 out of 1
		Clevenge Musindalo	Secretary	1 out of 1
		Titus Maluki	Member	1 out of 1
		Jacob Ngwele	Member	1 out of 1

Annual Report and Financial Statements For the year ended 30th June 2024

(d) School operation Management

For the financial year ended 30th June 2024 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Eunice K. Titus	409549
2	Deputy Principal	Susan Mbulu	423864
3	School Bursar	Pius Ndithya	25314574(ID NO)

(e) Schools contacts

Post Office Box: P.O Box 169-90402 Migwani
 Telephone: 0114 505 610
 E-mail: itolonigirls@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

1. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1102991708 Boarding Account
2. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1102992178 Operation account
3. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1102996652 Tuition Account
4. Name Of Bank: Kenya Commercial Bank
 Branch: Mwingi
 Account Number: 1261239180 Infrastructure Account

(g) Independent Auditors

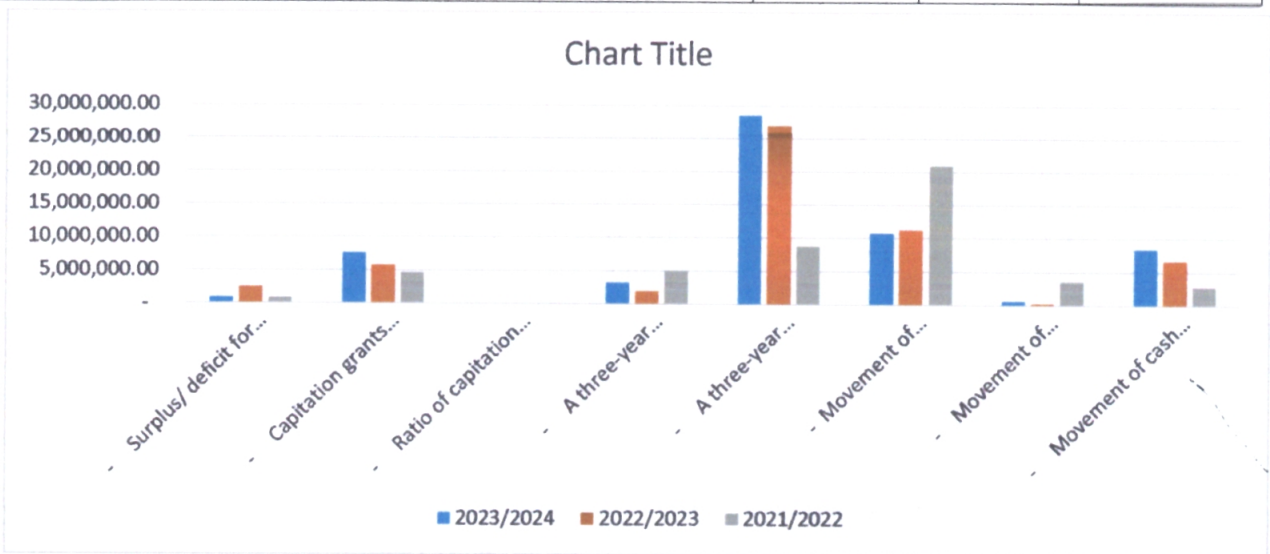
Office of the Auditor General
 Anniversary Towers, University Way
 P.O. Box 30084
 GPO 00100
 Nairobi, Kenya

Annual Report and Financial Statements For the year ended 30th June 2024

II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

The following is a table summary report of the performance of the school

a) Financial performance:	2023/2024	2022/2023	2021/2022
- Surplus/ deficit for the year and a comparison of the same for the last three years	881,371	2,479,590	3,755,806
- Capitation grants from the Ministry of Education for the last three years	7,602,180	5,734,361	6,855,201
- Ratio of capitation grant per student over the last three years	17,516	13,213	17,399
- A three-year overview of growth of other income(s) earned by the school.	21,728,886	23,720,012	22,318,424
- A three-year overview of growth in expenditure of the school	28,449,695	26,974,783	25,417,818
- Movement of debtors/Receivables of the school over the last three years	10,733,732	11,212,637	10,811,456
- Movement of creditors /Payables of the school over the last three years	601,109.00	258,505	575,784
- Movement of cash and bank balances over the last three years	8,358,420	6,655,540	4,894,409



Annual Report and Financial Statements For the year ended 30th June 2024

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

	2023-2024	2022-2023	2021-2022
b) Teacher Student ratio:			
The teacher to student ratio	1:22	1:17	1:18
Number of teachers recruited and posted to the school within the year	1	2	2
Number of teachers that were transferred/ retired during the period	1	1	1
Number of teachers employed by TSC	19	19	18
Number of teachers employed by BOM.	2	2	3
Number of teachers the school has for each subject in order to indic' shortage/ allocation of resources			
SUBJECTS	NO.of Teachers		
MATHS	6	3	3
ENGLISH	3	4	4
KISWAHILI	3	2	2
CHEMISTRY	4	3	3
PHYSICS	5	3	3
BIOLOGY	3	2	2
HISTORY	2	2	2
CRE	3	1	1
AGRICULTURE	2	2	2
BUSINESS STUDIES	1	2	2
GEOGRAPHY	3	2	2
COMPUTER STUDIES	1	1	1
HOMESCIENCE	1	1	1
c) Mean score in the 2022 KCSE:			
performance of the school for each over the last three years			
Number of students that have since transitioned to institutions of higher learning.	60	26	13
Mean score	6.968	6.186	5.92
Comment on improvement or otherwise as compared to school set score	+0.782	+0.096	+0.19
d) Number of Candidates in the 2022 KCSE:			
Number of candidates sitting for KCSE over the last three years.	97	86	88
e) Capacity of the school:			
Number of students in the school	434	433	387
Dormitories	4	4	3
Dining hall,	1	1	1
laboratories,	2	1	1
Toilets	40	36	18
Land with legal ownership	4.93 Acres	4.93 Acrs	4.93 Acres
Other amenities.			

Annual Report and Financial Statements For the year ended 30th June 2024

a) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of Lab	MOE	complete	2,001,230.00	1,329,820	Dec-2023

.....
EEG
 School Principal



Annual Report and Financial Statements For the year ended 30th June 2024

3. Statement of School Management Responsibility

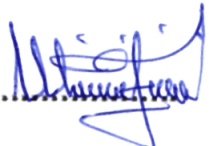
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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 *Itoni Girls Secondary School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

DR. Winfrend Ndumu



Name:

Designation: Chairman, School Board of Management

Date: 22/4/2025

Eunice Titus (Mrs)



Name:

Designation: School Principal & Secretary to Board of Management

Date: 22/4/2025



Pius Ndithya



Name:

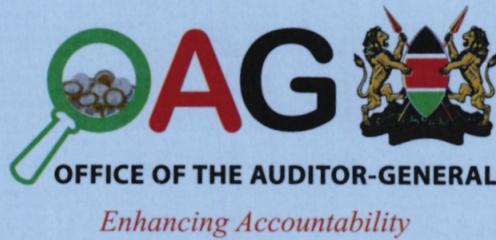
Designation: Bursar/ Finance Officer

Date: 22/4/2025

BURSAR
A.I.C. ITOLONI GIRLS' SEC. SCHOOL
P. O. BOX 169-90402 MIGWANI
Date: 22/4/25 Sign: 

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON AIC ITOLONI GIRLS' SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - KITUI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in 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 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.

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 AIC Itoloni Girls' Secondary School - Kitui County set out on pages 1 to 17 which comprise of the statement of assets

and liabilities as at 30 June, 2024, statement of receipts and payments, the statement of cash flows, 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 effects of the matter described in the basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the AIC Itoloni Girls' Secondary School – Kitui County as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with and the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.10,733,732 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.9,110,699, which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.10,733,732 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the AIC Itoloni Girls' Secondary School Management in accordance with ISSAI 130 on 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 Matter

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, one issue was raised under Report on Financial Statements and several issues were raised under the Report on Lawfulness and

Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024.

Other Information

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit 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.22,990,512 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.37,000 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 and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.37,000 could not be confirmed.

2. Failure to Open a Separate Bank Account for Other Income Generating Activities

The statement of receipts and payments and Note 5 to the financial statements reflect Kshs.3,127,007 being receipts from miscellaneous incomes. However, Management

failed to open a separate bank account and cash book contrary to Paragraph 3.5.6 of Ministry of Education (MOE) circular No. HQS/3/10/18/(112) dated 15 November, 2022 which requires schools with income generating activities to open a separate bank account and cash book.

Further, the receipts of Kshs.3,127,007 includes an amount of Kshs.1,213,900 being income from the hire of school bus, out of which an amount of Kshs.1,003,900 was received and spent at source before banking. This was contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015 which provides that, all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a national government entity, shall be paid into the designated bank accounts of the national government and shall not be used by any public officer in any manner between the time of their receipts and payment into the bank except as provided by law.

In addition, there lacked proper policy guidelines on requisition by the user and approval by the Management for hiring of the bus.

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

3. Excess Supply of Books/Non-Effective Management of Text Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the publishers distributed thirty (30) business studies books for form two students to the school which were not issued to the students because they already had other textbooks, resulting to an unexplained excess of thirty (30) books text books in the school store.

In the circumstances, value for money on the excess thirty (30) text books could not be confirmed and the school does not have an effective system for the management of the text books.

4. Late Transfer of Infrastructure Funds from the Operations Bank Account

The school received operations capitation grants of Kshs.5,297,333 during the year under review deposited in to the operations bank account, out of which Kshs.1,726,900 was to be transferred to the infrastructure account. However, the capitation grant received on 9 January, 2024 was transferred to Infrastructure Bank Account on 21 February, 2024 later than fifteen(15) days upon receipt of the funds. This was contrary to The Ministry of Education Circular Ref. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

The audit was conducted in accordance with and ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, 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 Article 229(6) of the Constitution, 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 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. Frequency of Board and Board Committees Meetings

During the year under review, the executive committee of the board only held two (2) meetings while the other five (5) committees namely; audit committee, finance, procurement and general-purpose committee, academic committee, development committee and discipline and welfare committee each held one (1) meeting. Further, six (6) out of seven (7) meetings held were not supported with an attendance register. In addition, the Board's annual workplan or schedule of activities for the year under review was not submitted for audit review.

In the circumstances, the effectiveness of the School's governance system could not be confirmed and the School may not achieve its strategic objectives.

2. Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.35,550,907 in respect of fixed assets which includes land with a value of Kshs.1,580,000. 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.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease its 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 the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 May, 2025

Annual Report and Financial Statements For the year ended 30th June 2024

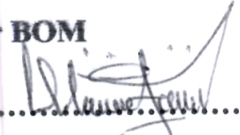
5. Statement of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,091,647	1,051,592
Government grants for operations	2	5,297,333	3,117,770
Government Grants for infrastructure	3	1,213,200	1,565,000
School fund income- parents' contributions	4	18,601,879	21,892,392
Miscellaneous incomes	5	3,127,007	1,827,620
Total Receipts		29,331,066	29,454,374
Payments			
Tuition	6	388,366	1,400,710
Operations	7	3,735,285	2,668,585
Infrastructure	8	1,335,532	1,267,230
Boarding and school fund	9	22,990,512	21,638,258
Total Payments		28,449,695	26,974,783
Surplus/Deficit		881,371	2,479,591

The school financial statements were approved on 30th June 2024 and signed by:

Name: DR. Winfrend Ndumu

Chair BOM

Sign.....

Date: 22/4/2025

Name: Eunice Titus (Mrs)
School Principal/ Secretary to
BOM


Sign.....

Date: 22/4/2025





Name: Pius Ndithya

Bursar/ Finance Officer

Sign.....

Date: 22/4/2025

BURSAR
A.I.C. ITOLONI GIRLS' SEC. SCHOOL
P.O. BOX 189-90402 MURWANI
Date..........
Sign.....

Annual Report and Financial Statements For the year ended 30th June 2024

6. Statement of Assets and Liabilities as At 30th June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	8,274,118	6,530,943
Cash balances	11	84,302	124,597
Short term investments	12	-	
Total cash and cash equivalent		8,358,420	6,655,540
Account's receivables	13	10,733,732	11,212,637
Total financial assets		19,092,152	17,868,177
Financial liabilities			
Accounts payables	14	601,109	258,505
Net financial assets		18,491,043	17,609,672
Represented by			
Accumulated fund b/fwd.	15	17,609,672	15,130,081
Surplus/deficit for the year		881,371	2,479,5901
Net financial position		18,491,043	17,609,672

The school's financial statements were approved on 30th June 2024 and signed by:

Name: DR. Winfrend Ndumu

Chair BOM

Sign: 

Date: 22/4/2025

Name: Eunice Titus (Mrs)

School Principal/ Secretary to BOM

Sign: 

Date: 22/4/2025

Name: Pius Ndithya

Bursar/ Finance Officer

Sign: 

Date: 22/4/2025



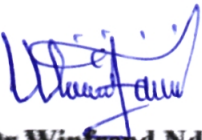
BURSAR
A.I.C. ITOLONI GIRLS SEC. SCHOOL
P. O. BOX 169-90402 MIGWANI
Date: 22/4/2025 Sign: 


Annual Report and Financial Statements For the year ended 30th June 20247. Statement of Cash Flows for the Year Ended 30th June 2024

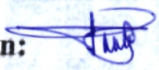
Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,091,647	1,051,592
Government grants for operations		4,084,133	3,117,770
Government grants for infrastructure		1,213,200	1,565,000
School fund income- parents contributions/ fees		16,720,327	21,350,782
Other income		5,228,959	1,827,620
Total receipts		28,338,266	28,912,764
Payments			
Cash outflows for tuition		388,367	1,400,710
Cash outflows for operations		2,522,085	2,668,585
Cash outflows Boarding/lunch and school fund payments		22,389,402	21,638,258
Total payments		25,299,854	25,884,403
Net cash inflow/outflow from operating activities		3,038,412	3,028,361
Cash flow from investing activities			
Acquisition of assets		1,335,532	1,267,230
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		1,702,880	1,761,130.67
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		1,702,880	1,761,131
Cash and cash equivalent at beginning of the FY2023-2024		6,655,540	4,894,409
Cash and cash equivalent at end of the FY2023-2024		8,358,420	6,655,540

Annual Report and Financial Statements For the year ended 30th June 2024

The school's financial statements were approved on 30th June 2024 and signed by:

Sign: 
Name: Dr. Winfrend Ndumu
Chair BOM
Date: 22/4/2025

Sign: 
Name: Eunice Titus (Mrs)
School Principal/ Secretary to BOM
Date: 22/4/2025

Sign: 
Name: Pius Ndithya
Bursar/ Finance Officer
Date: 22/4/2025



BURSAR
A.I.C. ITOLONI GIRLS' SEC. SCHOOL
P. O. BOX 169-90302 MICHWANI
Date: 22/4/2025 Sign: 

Annual Report and Financial Statements For the year ended 30th June 20248. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	1,657,600.00		1,657,600.00	1,091,647.00	66%
	1,657,600.00		1,657,600.00	1,091,647.00	66%
<i>(2) Capitation Grant on Operations</i>					
Maintainance & Improvement	2,000,000.00		2,000,000.00	1,726,900.00	86%
Medical	800,000.00		800,000.00	359,775.00	45%
Activity	600,000.00		600,000.00	353,395.00	59%
Other vote heads	3,760,000.00		3,760,000.00	2,857,263.00	76%
Totals	7,160,000.00		7,160,000.00	5,297,333.00	74%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	2,000,000.00		2,000,000.00	1,213,200.00	61%
Totals	2,000,000.00		2,000,000.00	1,213,200.00	
<i>(4) Fees Charged on Parents</i>					
Repair & Maintenance	800,000.00		800,000.00	958,090.00	120%
Other vote heads	5,160,000.00		5,160,000.00	6,409,864.00	124%
Activity	100,000.00		100,000.00	117,500.00	118%
Fee On Boarding Equipment and Stores	10,154,000.00		10,154,000.00	11,116,425.00	109%
Total Income	16,214,000.00		16,214,000.00	18,601,879.00	115%

Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(6) Expenditure For Tuition					
Teaching / Learning Materials	1,657,600.00		1,657,600.00	388,366.00	23%
Total Expenditure	1,657,600.00		1,657,600.00	388,366.00	23%
(7) Expenditure For Operations					
Maintenance & Improvement	2,000,000.00		2,000,000.00	1,213,200.00	61%
Medical	800,000.00		800,000.00		0%
Activity Expenses	600,000.00		600,000.00		0%
Other Vote Heads	3,760,000.00		3,760,000.00	2,522,085.00	67%
Totals	7,160,000.00		7,160,000.00	3,735,285.00	52%
(8) Expenditure For Infrastructure					
Construction of classrooms	2,000,000.00		2,000,000.00	1,329,820.00	66%
Totals	2,000,000.00		2,000,000.00	1,329,820.00	66%
(9) Expenditure For school fund Acc'					
Repairs, Maintenance and Improvements	800,000.00		800,000.00	916,155.00	115%
Activity	100,000.00		100,000.00	301,570.00	302%
Other vote heads	5,160,000.00		5,160,000.00	6,256,854.00	121%
Boarding Equipment and Stores	10,154,000.00		10,154,000.00	12,349,655.00	122%
Totals	16,214,000.00		16,214,000.00	19,824,234.00	122%

Commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- i. The underutilization was due to low student enrolment and non-payment of fees resulting to outstanding fees receivables
- ii. The overutilization was due to increase in prices of food items, lab chemicals and revision materials for tuition

9. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Annual Report and Financial Statements For the year ended 30th June 2024

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 2024.

Annual Report and Financial Statements For the year ended 30th June 2024

10. Notes to the Financial Statements

1 Government Grants for Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	1,091,647	1,051,592
Total	1,091,647	1,051,592

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Repairs And Maintenance	1,726,900	
Medical and insurance	359,775	75,200
Activity	353,395	221,413
Other Vote Heads	2,857,262	2,821,157
Total	5,297,333	3,117,770

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	1,213,200	1,565,000
Total	1,213,200	1,565,000

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Repairs and maintenance	958,090	1,323,150
Activity	117,500	227,400
Fee on Boarding Equipment and stores	11,116,425	13,192,514
Others vote heads	6,409,864	7,149,328
Total	18,601,879	21,892,392

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	Kshs	Kshs
Income From Bus Hire	1,213,900	411,000
Tender fee	93,000	

Annual Report and Financial Statements For the year ended 30th June 2024

Bursary from CDF	1,601,140	1,258,030
Special diet	84,000	109,000
Student ID	81,267	49,590
Other Income; Kcse Exam	53,700	
Total	3,127,007	1,827,620

Notes to the Financial Statements (continued)

6 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	384,580	1,400,230
Others (Bank Charges)	3,786	480
Total	388,366	1,400,710

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Repairs And Maintenance & Improvements	1,213,200	
Others vote heads	2,522,085	2,668,585
Total	3,735,285	2,668,585

Annual Report and Financial Statements For the year ended 30th June 2024

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of laboratory	1,329,820	1,267,230
Others (Bank charges)	5,712	
Total	1,335,532	1,267,230

9 Boarding and School Fund

Description	2023/2024	2022/2023
	Kshs	Kshs
Repairs And Maintenance & Improvements	916,155	1,057,080
Fees Refund	39,271	-
Special Diet	84,000	108,500
Student id	81,267	50,635
Expenses on hire of school bus	1,213,900	409,760
Tender fee	93,000	9,000
Activity expenses	301,570	297,765
Bursary grants	1,601,140	1,258,030
Other vote heads	6,256,854	7,059,337
Fee On Boarding Equipment and Stores	12,349,655	11,388,151
Others (kcse)	53,700	
Total	22,990,512	21,638,258

Annual Report and Financial Statements For the year ended 30th June 2024

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1102976652	703,755	474
Operations Account	Active	1102992178	2,390,828	828,781
School Fund Account/Boarding	Active	1102991708	4,300,138	4,699,960
Savings Account	Dormant		4,338	4,338
Infrastructural Account	Active	1261239180	875,059	997,390
Total			8,274,118	6,530,943

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Operations accounts	6,298	6,298
School fund accounts	78,004	118,299
Total	84,302	124,597

12 Short Term Investments

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

Annual Report and Financial Statements For the year ended 30th June 2024

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Fees Arrears	10,733,732	11,212,637
Total	10,733,732	11,212,637
(include an ageing of the fees /non fees arrears below)		
Fees arrears below 1 year	1,623,047	2,741,130
Fees arrears between 1-2 years	639,178	999,561
Fees arrears between 2-3 years	999,561	1,712,611
Fees arrears over 3 years	7,471,746	5,759,335
Total	10,733,732	11,212,637

13 b Ageing Analysis of Accounts Receivable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	2023/2024	% of the total	2022/2023	% of the total
Less than 1 year	1,623,047	15%	2,741,130	24%
Between 1- 2 years	639,178	6%	999,561	9%
Between 2-3 years	999,561	9%	1,712,611	15%
Over 3 years	7,471,746	70%	5,759,335	51%
Total (should tie to note 13 a)	10,733,746	100%	11,212,637	100%

14 Accounts Payable

Description	2023/2024	2022/2023
	Kshs	Kshs
Trade Creditors		-
Prepaid Fees	601,109	258,505
Total	601,109	258,505

Annual Report and Financial Statements For the year ended 30th June 2024

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	2023/2024	% of the total	2022/2023	% of the total
Less than 1 year	601,109	100%	258,505	100%
Total (should tie to note 14)	601,109	100%	258,505	100%

15 Fund Balance Brought Forward

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Bank Balances	8,274,118		6,530,943	
Cash Balances	84,302		124,597	
Receivables	10,733,732		11,212,637	
Payables	601,109		258,505	
Total	18,491,043		17,609,672	

Annual Report and Financial Statements For the year ended 30th June 2024

Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

16 Non-current Liabilities Summary

17 Biological assets

Description	Numbers	2023/2024	2022/2023
		Kshs	Kshs
Trees	26	88,000	198,000
Others (specify)			
Total		88,000	198,000

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Description	2023/2024	2022/2023
	Kshs	Kshs
Food stuffs	221,700	184,500
Lab consumables	265,245	156,000
Construction Materials	8,900	Nil
Others (Tuition materials	698,000	
	1,193,845	347,520

Annual Report and Financial Statements For the year ended 30th June 2024

20 Progress on Follow up Of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Long outstanding Account Receivables	We have not yet been invited to the Parliament	Not resolved	Once invited by parliament
	Lack of procurement plan	We have not been invited to the parliament	Not resolved	Once invited by parliament
	Late submission of Financial statements for Audit	We have not been invited to the parliament	Not resolved	Once invited by parliament
	Inaccurate balance and lack of ownership documents	We have not been invited to the parliament	Not resolved	Once invited by parliament
	Failure to maintain Board of Management Records	We have not been invited to the parliament	Not resolved	Once invited by parliament
	Failure to maintain proper inventory records	We have not been invited to the parliament	Not resolved	Once invited by parliament

Sign and Date
Principal



Annual Report and Financial Statements For the year ended 30th June 2024

11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.	0					
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total	0					
Supply Of Services						
6.						
7.						
8.						
Sub-Total						

AIC ITOLONI GIRLS' SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f 30 th June 2024
Land 1	550,000			550,000
Land 2	1,030,000			1,030,000
Buildings And Structures	12,288,087	1,329,820		13,617,907
Motor Vehicles	5,400,000			5,400,000
Office Equipment, Furniture And Fittings	6,750,000	318,000		7,068,000
Textbooks	1,803,000			1,803,000
ICT Equipment	4,000,000	52,000		4,052,000
Tools And Apparatus	715,000			715,000
Other Machinery And Equipment	715,000	180,000		895,000
Intangible Assets- Soft Ware	420,000			420,000
Total	33,671,087	1,879,820		35,550,907