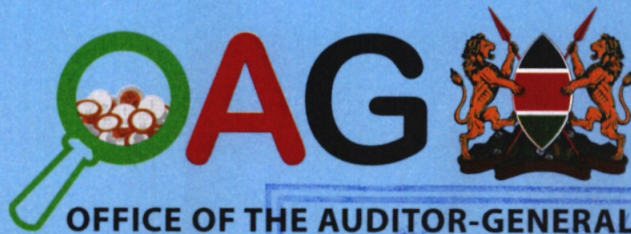


REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 26 NOV 2024

DAY:

TUE

**REPORT**

HON. NAOMI WARD MP.  
DEP. MAJORITY PART WHIP

CLERK-AT  
THE TABLE:

MERCY CHUMD

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

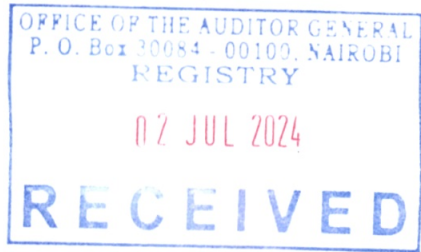
**ON**

**KITUI HIGH SCHOOL**

**FOR THE YEAR ENDED**

**30 JUNE, 2023**

**KITUI COUNTY**



---

**KITUI HIGH SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2023**

---

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

	Page
<b>Table of Contents</b>	
1. Acronyms and Glossary of Terms .....	ii
2. Key School Information and Management .....	iii
3. Summary Report of Performance of The School .....	vii
4. Statement of School Management Responsibility .....	x
5. Report Of The Independent Auditors .....	xi
6. Statement Of Receipts and Payments For the Year Ended 30 <sup>th</sup> June 2023.....	1
7. Statement of Assets and Liabilities As At 30 <sup>th</sup> June 2023.....	2
8. Statement of Cash Flows for the Year Ended 30 <sup>th</sup> June 2023.....	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 <sup>th</sup> June 2023 .....	5
10. Significant Accounting Policies.....	10
11. Notes To The Financial Statements .....	12
12. Annexes .....	22

**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, Kitui Central Sub-County.

The school was registered in 9.2.1989 under registration number G/A/539/89 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 1396 number of students as at 30<sup>th</sup> June 2023. It has 8 streams and 56 teachers of which 12 teachers are employed by the School Board of Management.

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

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Justus Wathe	Chairman	20.5.2022
2	Mr. Mutua, BM	Secretary - Principal	"
3	Mr. Reuben Mbindu	Member – Community	"
4	Mr. Morris Kimuli	Member – Community	"
5	Mrs. Peggy Shisakha	Member – Parent	"
6	Ms. Anisa Dahoodbhai	Member – Community	"
7	Mr. Salessious Mutiso	Member – Parent	"
8	Mr. Dan M. Wambua	Member – Sponsor	"
9	Mrs. Eunice Kiema	Member – CEB	"
10	Mrs. Phyllis Wambua	Member Rep Teachers	"
11	Prof. David Malonza	3 Members - Sponsor	"
12	Pst. Katwa Kanyolo	Member - Community	"
13	Rev. David K. Muinde	Member Special Needs	"
14	Mr. Heeran Mutuku	Member – Special Interest	"
15	Nzau James Maingi	Rep Students	"

**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	Mr. Justus Wathe Mr. Morris Kimuli Mr. Mutua, BM	BOM Chair SIC Chair Secretary BOM	3 out of 3
2	Audit Committee	Mr. Justus Wathe Mr. Morris Kimuli Mr. Mutua, BM County Sch-Auditor Rep	BOM Chair SIC Chair Secretary BOM Auditor	3 out of 3
3	Finance, procurement and general purposes Committee	Mr. Morris Kimuli Mr. Mutua, BM Rev. Katwa Kanyolo Sub- County Director of Education	SIC Chair Secretary BOM PA Chair SCDE	3 out of 3
4	Academic Committee	Pro. David Malonza Mr. Heeran Mutuku Mrs. Phyllis Wambua	Chair Member Member	3 out of 3
5	Development Committee	Mr. Morris Kimuli Mr. Mutua, BM Rev. Katwa Kanyolo Sub-County Director of Education	Chair SIC Secretary BOM PA Chair SCDE	3 out of 3

		Mr. Munyao Jeremia	Teacher	
6	Discipline and welfare Committee	Mr. Justus Wathe Mr. Mutua, BM Rev. Katwa Kanyolo Ms. Anisa Dawoodbhai	BOM Chair BOM Secretary PA Chair Member	3 out 3
7	Adhoc Committee (if any during the year)	-	-	-

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2023, the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr. Mutua, BM	TSC No. 361453
2	Deputy Principal	Mr. Mutuku Festus	TSC No. 442466
3	School Bursar	Mr. David Athi	ICPAK No.
4	Other (specify)		

**(e) Schools contacts**

Post Office Box: 39-90200, KITUI  
 Telephone: 0700 550532  
 E-mail: kituihighschool@gmail.com/kituihighschool@yahoo.com  
 Website: www.kituihighschool.sc.ke  
 Facebook: -  
 Twitter: -

**(f) School Bankers**

Name of Bank:  
 Branch  
 Postal Address.

Kitui High School  
 Bank Accounts

NBK-Kitui – i. 01025051506400 - Tuition  
 ii. 01021051506403 - Operations  
 iii. 01021051506400 –Boarding  
 iv. 01242051506401 – Savings

Equity – Kitui- i. 0720299069240 – Boarding  
 ii. 0720260454970 – Infrastructure

Co-op- Kitui- i. 01129300903200 – Boarding

MPESA PayBill No. **758084 / 669881** attached to 0720299069240 – Boarding

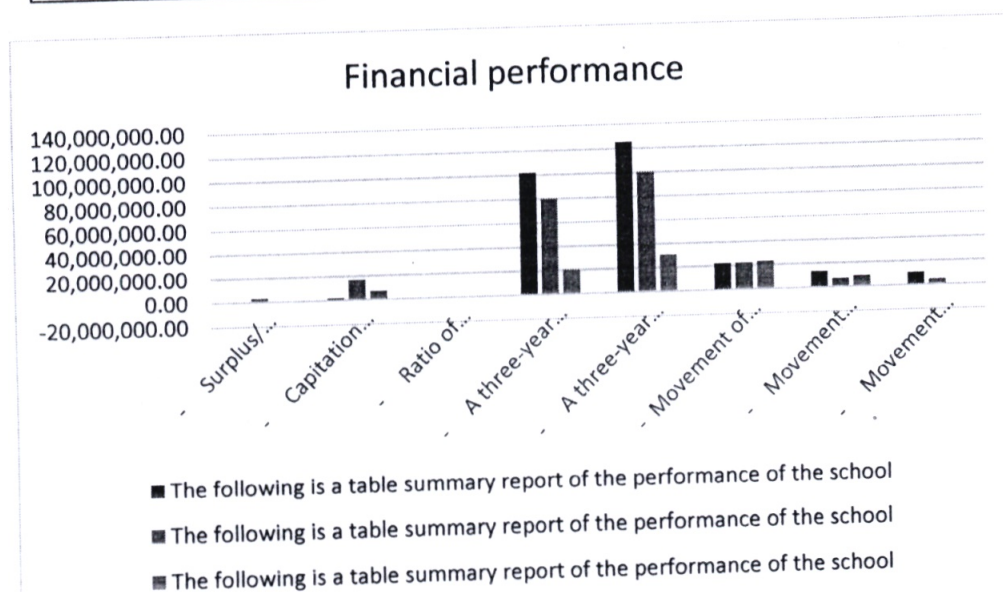
**(g) Independent Auditors**

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

3. Summary Report of Performance of The School

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

a) Financial performance:	2022-2023	2021-2022	2020-2021
- Surplus/ deficit for the year and a comparison of the same for the last three years	-265,584.20	3,196,530.80	367,977.90
- Capitation grants from the Ministry of Education for the last three years	1,779,678.90	16,733,048.20	7,110,201
- Ratio of capitation grant per student over the last three years	1:12730	1:14462	6.713888889
- A three-year overview of growth of other income(s) earned by the school.	102,279,216.00	80,309,323.40	20,262,816
- A three-year overview of growth in expenditure of the school	125,366,790.60	99,871,200.30	30,304,774
- Movement of debtors/Receivables of the school over the last three years	22,017,820.67	22,167,273.67	23,272,060
- Movement of creditors /Payables of the school over the last three years	13,650,391.81	7,305,912.81	9,005,078
- Movement of cash and bank balances over the last three years	10,704,944.75	4,476,596.95	187,445



	2022-2023	2021-2022	2020-2021
<b>b) Teacher Student ratio:</b>			
The teacher to student ratio	60	60	55
Number of teachers recruited and posted to the school within the year	2	4	1
Number of teachers that were transferred/ retired during the period	2	1	2
Number of teachers employed by TSC.	43	42	40
Number of teachers employed by BOM.	12	12	10
Number of teachers the school has for each subject			

in order to indicate shortage/ allocation of resources			
SUBJECTS		NO. of Teachers	
MATHS	8	5	5
ENGLISH	7	7	7
KISWAHILI	8	6	5
CHEMISTRY	8	4	4
PHYSICS	4	3	3
BIOLOGY	5	5	4
HISTORY	6	3	2
CRE	3	3	3
AGRICULTURE	2	3	3
BUSINESS STUDIES	4	2	2
GEOGRAPHY	5	4	4
COMPUTER STUDIES	2	2	2
<b>c) Mean score in the 2023 KCSE:</b>			
performance of the school for each over the last three years	8.89732	9.312	<b>9.500</b>
Number of students that have since transitioned to institutions of higher learning.	206	193	179
Mean score	8.89732	9.312	<b>9.500</b>
Comment on improvement or otherwise as compared to the school's set score.	Target not met	Target not met	Target met
<b>d) Number of Candidates in the 2023 KCSE:</b>			
Number of candidates sitting for KCSE over the last three years.	224	199	180
<b>e) Capacity of the school:</b>			
Number of students in the school	1396	1148	948
Dormitories	12	12	11
Dining hall,	2	2	2
laboratories,	3	3	3
Toilets	40	40	32
Land with legal ownership			
Other amenities.			

## f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
i. Completion of a 2 storey dormitory	Government and parents	90% Complete	33,887,630.00	24,911,023.00	
ii. Purchasing of a school van	Parents	Financed by Equity bank	4,797,000.00	4,797,000.00	
iii. Sinking of a borehole	Parents	Complete		3,113,397.80	
iv. Installation of surveillance cameras	Parents	Complete	4,163,360.00	4,163,360.00	
v. 12 Classrooms	Government /Parents	On going	25,886,360.00	8,997,879.50	

  
 .....  
 School Principal




**4. Statement of School Management Responsibility**

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

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

The Board of Management of Kitui 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, 2023, and of the school's financial position as at that date.

  
.....

**Name: Justus Wathe**

**Designation:** Chairman, School Board of Management

**Date:**

  
.....



**Name: Mutua, BM**

**Designation:** School Principal & Secretary to Board of Management

**Date:**

  
.....

**Name: David Athi**

**Designation:** Bursar/ Finance Officer

**Date:**

# REPUBLIC OF KENYA

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



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON KITUI HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – 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.

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 Kitui High School - Kitui County set out on pages 1 to 21, which comprise of the statement of financial assets and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of budget 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 Kitui High School as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Unsupported Accounts Receivables**

The statement of asset and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivable balance of Kshs.19,872,231. This balance comprises of fees arrears, salary advance and imprests of Kshs.16,889,577 Kshs.1,016,891 and Kshs.1,965,763 respectively. Included in fees arrears is Kshs.2,853,368, Kshs.1,712,527, Kshs.9,247,574 for periods between 1-2 years 2-3 years and over three (3) years respectively all totalling Kshs.13,813,469 However, the amounts for prior periods were not supported with student fee statements, fee collection registers, student listing, invoices and billing records and correspondence with students and parents. Further, the imprests of Kshs.1,965,763 was not supported with an imprests register.

In the circumstances, the accuracy and completeness of the expenditure amounting to Kshs.19,872,231 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kitui High 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.

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of budget versus actual amounts reflects final revenue budget and actual on comparable basis of Kshs.131,597,043 and Kshs.125,101,206 respectively, resulting to an under-funding of Kshs.6,495,837 or 5% of the budget . However, the School spent a balance of Kshs.125,366,790. against actual receipts of Kshs.125,101,206, resulting to an over-utilization of Kshs.265,584 of actual receipts.

The under-funding affected the planned activities and may have impacted negatively on the School's activities.

My opinion is not however modified in respect of this matter.

### **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 Audit Matters**

In the audit report of the previous year, several issues were raised under Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management did not resolve the issues as at 30 June, 2023.

### **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. Irregularities in Procurement of Infrastructure Works**

The statement of receipts and payments reflects payments for infrastructure expenditure of Kshs.8,981,250 which as disclosed in Note 8 to the financial statements. However, Management did not provide annual procurement plan, appointment letters of the tender opening committee, evaluation committee and inspection and acceptance committees, tender opening minutes, professional opinion, ministry approval and winning and losing bidders documents. This was contrary to Section 46 and Section 78 (1) of the Public Procurement and Asset Disposal Act, 2015 which states an Accounting Officer shall ensure that an ad hoc evaluation committee is established in accordance with this Act and Regulations and the accounting officer of a procuring entity shall appoint a tender opening committee specifically for the procurement respectively.

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

#### **2. Long Outstanding Trade Payables**

The statement of financial assets and liabilities, reflects accounts payables balance of Kshs.11,404,802.as disclosed in Note 14 to the financial statements Included in the

payables balance is Kshs.10,092,858 which includes Kshs.960,271 that has been outstanding for over one-year. 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.

### **3. Lack of a Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.52,135,183 and Kshs.53,129,812 in respect of receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity prepare a procurement plan for each year as part of the annual budget preparation process.

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

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

During the year under review, the School did not have an approved School improvement plan, contrary to Section 2.2 of the Ministry of Education Operational Manual for Utilization of Learner Capitation Grant and Other School Funds, which require 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

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

### **5. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 28 May, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

The audit was conducted in accordance with 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 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 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 section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Lack of Ownership Documents

Review of assets register and records revealed that , the School does not have title deed for the land on which the School is built. The absence of the title deed presents a significant issue that may attract tussles over legal ownership and security of the School property.

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

#### 2. Weakness in Internal Controls

During the year under review, Management did not establish information Technology (IT) strategy and IT steering Committee, IT policy, disaster management and recovery policies, business continuity plan and IT continuity plan and risk management policy to ensure smooth running of its operations.

In the circumstances, the Management's ability to recover vital information which could affect the smooth running of the School's operations could not be confirmed.

#### 3. Discrepancy in the School Register and NEMIS

During the year under review, National Education Management Information System (NEMIS) reported an average student population of one thousand two hundred and eight (1,208) with an expected capitation amount of Kshs.26,859,630. However, review of the school's register, revealed that the actual average number of students enrolled as per school physical register was one thousand two hundred and eighteen (1,218) with an expected capitation of Kshs.27,087,631, resulting in an unexplained variance of ten (10) students. Based on the approved capitation rate per student, the school has missed out on receiving funding for the ten (10) students not accounted for in the NEMIS system amounting to Kshs.222,240. No explanation was provided for the inconsistency between the two sets of records.

In addition, actual amount capitation disbursed to the School was Kshs.22,821,990. However, according to the NEMIS, the actual expected amount was Kshs.26,859,630 for the average net enrolment summary of one thousand two hundred and eight (1,208)

students for the year ended 30 June, 2023. No explanation was provided as to why the Ministry failed to disburse the balance of Kshs.4,037,639.60.

In the circumstances, effective and efficient internal controls in students' data in the school 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 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 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 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 School's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 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 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

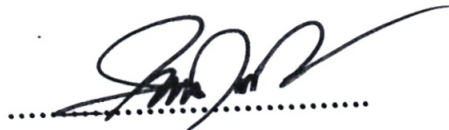
**Nairobi**

**06 November, 2024**

Statement Of Receipts and Payments For the Year Ended 30<sup>th</sup> June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	3,241,727.75	3,109,835.20
Government grants for operations	2	11,104,262.65	19,648,572.50
Government Grants for infrastructure	3	8,476,000.00	33,409,068.00
School fund income- parents' contributions	4	96,936,298.00	46,900,255.40
Miscellaneous incomes	5	5,342,918.00	
<b>Total Receipts</b>		<b>125,101,206.40</b>	<b>103,067,731.10</b>
<b>Payments</b>			
Tuition	6	2,808,010.00	3,763,140.00
Operations	7	8,351,175.20	19,869,145.00
Infrastructure	8	8,981,249.50	76,238,915.30
Boarding and school fund	9	105,226,355.90	
<b>Total Payments</b>		<b>125,366,790.60</b>	<b>99,871,200.30</b>
<b>Surplus/Deficit</b>		<b>(265,584.20)</b>	<b>3,196,530.80</b>

The school financial statements were approved on 7/6/ 2024 and signed by:



Name: Justus Wathe

Chair BOM

Date:



Name: Mutua, BM  
School Principal/ Secretary to  
BOM

Date:





Name: David Athi

Bursar/ Finance Officer

Date:

7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	7,560,849.22	4,361,340.37
Cash balances	11	3,044,095.53	115,256.58
Short term investments	12		
<b>Total cash and cash equivalent</b>		<b>10,604,944.75</b>	<b>4,476,596.95</b>
Account's receivables	13	19,872,230.86	22,167,273.67
<b>Total financial assets</b>		<b>30,477,175.61</b>	<b>26,643,870.62</b>
<b>Financial liabilities</b>			
Accounts payables	14	11,404,802.00	7,305,912.81
<b>Net financial assets</b>		<b>19,072,373.61</b>	<b>19,337,957.81</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	19,337,957.81	16,141,427.01
Surplus/deficit for the year		265,584.20	3,196,530.80
<b>Net financial position</b>		<b>19,072,373.61</b>	<b>19,337,957.81</b>

The school's financial statements were approved on 27/6/2024 and signed by:

Name: Justus Wathe

Chair BOM

Date:

Name: Mutua, BM  
School Principal/ Secretary to  
BOM

Date:

Name: David Athi

Bursar/ Finance Officer

Date:



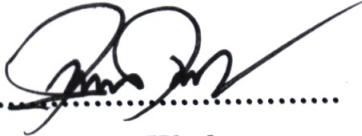
8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		3,241,727.75	3,109,835.20
Government grants for operations		11,460,862.65	19,724,072.50
Government grants for infrastructure		8,476,000.00	
School fund income- parents contributions/ fees		97,702,387.00	33,409,068.00
Other income		23,009,787.80	52,334,229.65
<b>Total receipts</b>		<b>145,422,943.20</b>	<b>10,577,205.35</b>
<b>Payments</b>			
Cash outflows for tuition		2,646,180.00	310,665.00
Cash outflows for operations		8,646,385.20	19,880,735.00
Cash outflows Boarding/lunch and school fund payments		117,447,112.70	82,987,653.30
<b>Total payments</b>		<b>128,739,677.90</b>	<b>105,975,053.30</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>15,051,087.30</b>	<b>2,602,152.05</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		8,922,739.50	
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
<b>Net cash inflow/outflows from investing activities</b>			
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
<b>Net cash inflow/outflow from financing activities</b>		<b>6,128,347.80</b>	<b>2,602,152.05</b>
		<b>4,476,596.95</b>	<b>1,874,444.90</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>10,604,944.75</b>	<b>4,476,596.95</b>
Cash and cash equivalent at beginning of the FY			
Cash and cash equivalent at end of the FY			

**KITUI HIGH SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

---

The school's financial statements were approved on 7/6/ 2024 and signed by:



.....  
**Name: Justus Wathe**

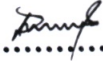
**Chair BOM**

**Date:**



.....  
**Name: Mutua, BM**  
**School Principal/ Secretary to BOM**

**Date:**



.....  
**Name: David Athi**

**Bursar/ Finance Officer**

**Date:**

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
<b>Receipts</b>					
<b>(1) Capitation Grant on Tuition</b>					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					52.9%
Teaching / Learning Materials	6,120,299.20	-	6,120,299.20	3,241,728.00	
Exams And Assessment					
<b>Total</b>	<b>6,120,299.20</b>		<b>6,120,299.20</b>	<b>3,241,728.00</b>	
<b>(2) Capitation Grant on Operations</b>					
Other voteheads(PE, LT&, EW&C, ADM)	13,122,400.00		13,122,400.00	8,810,925.00	67%
Repairs And Maintenance	-		-	1,354,000.00	-
Local Transport / Travelling	-		-	25,200.00	-
Medical	2,792,000.00		2,792,000.00	231,100.00	8%
Administration Costs					
Activity	2,094,000.00		2,094,000.00	683,038.00	32%
<b>Total</b>	<b>24,988,400.00</b>		<b>24,988,400.00</b>	<b>11,104,263.00</b>	

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE	6,980,000.00		6,980,000.00	8,476,000.00	121%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
<b>Total</b>	<b>6,980,000.00</b>		<b>6,980,000.00</b>	<b>8,476,000.00</b>	
<b>(4) Fees Charged on Parents</b>					
Other vote heads(PE,LT&T,EW&C,ADM)	32,593,600.00	-	32,593,600.00	34,479,345.00	105%
Repairs And Maintenance	3,200,000.00	-	3,200,000.00	3,494,111.00	109%
Local Transport / Travelling					
Electricity And Water					
Medical					
Administration Costs					
Activity	1,276,800.00	-	1,276,800.00	1,802,369.00	141%
SMASSE					
Fee On Boarding Equipment and Stores	56,048,544.00	-	56,048,544.00	54,117,346.00	96%
<b>Total</b>	<b>93,118,944.00</b>		<b>93,118,944.00</b>	<b>93,893,171.00</b>	
<b>5) Miscellaneous Income</b>					
Operations Account	-		-	163,098.00	-
Rent income	389,400.00	-	389,400.00	308,500.00	79%
Parents Teachers Association (PTA)	-		-	3,043,127.00	-

## KITUI HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Equity Bank Loan	-		-	4,797,000.00	-
KCSE	-		-	6,100.00	-
School ID	-		-	10,220.00	-
Tender fee	-		-	58,000.00	-
Interest Income					
<b>Total</b>	<b>389,400.00</b>		<b>389,400.00</b>	<b>8,386,045.00</b>	
<b>Grand Total</b>	<b>131,597,043.00</b>	<b>-</b>	<b>131,597,043.00</b>	<b>125,101,206.00</b>	
<b>(6) Expenditure For Tuition</b>					
Textbooks					
Reference Materials					
Exercise Books	9,504,000.00	-	9,504,000.00	334,950.00	3%
Laboratory Equipment	1,500,000.00	-	1,500,000.00	1,118,665.00	74.5%
Internal Exams	700,000.00		700,000.00	488,500.00	69%
Teaching / Learning Materials	910,820.00		910,820.00	865,655.00	95%
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges	-		-	240.00	-
<b>Total</b>	<b>12,614,820.00</b>		<b>12,614,820.00</b>	<b>2,808,010.00</b>	
<b>(7) Expenditure For Operations</b>					
Other vote heads(PE,LT&T, EW&C,ADM)	10,933,145.00	-	10,933,145.00	7,652,478.00	80%

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
Repairs, Maintenance & Improvements					
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical	135,000.00		135,000.00	123,725.00	91%
Administration Costs					
Activity Expenses	-		-	407,600.00	-
Boarding Account	-		-	163,098.00	-
Bank charges	-		-	4,274.00	-
<b>Total</b>	<b>11,068,145.00</b>		<b>11,068,145.00</b>	<b>8,351,175.00</b>	
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms	-		-	6,210,579.00	-
Construction of LAB					
Construction of DORMS	-		-	2,763,290.00	-
Pit latrine	-		-	4,800.00	-
Bank charges	-		-	2,580.00	-
<b>Total</b>	<b>-</b>		<b>-</b>	<b>8,981,249.00</b>	
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Other voteheads(PE,LT&T,EW&C, ADM)	31,234,359.50	-	31,234,359.50	23,543,693.00	75%
Repairs, Maintenance and Improvements	3,695,000.00	-	3,695,000.00	2,769,474.00	75%
Pit latrine	-		-	30,500.00	-
New Dormitory	-		-	2,034,861.00	-
Medical Expenses	135,000.00	-	135,000.00	116,750.00	86%

## KITUI HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
New classrooms	-		-	2,953,610.00	-
Activity	3,652,450.00	-	3,652,450.00	2,851,985.00	78%
Parents Teachers Association (PTA)	10,000,000.00		10,000,000.00	7,897,798.00	79%
Refer to drawer chqs	-		-	60,544.00	-
Boarding Equipment and Stores	69,764,855.00	-	69,764,855.00	60,282,947.00	86%
Tender fee	-		-	12,000.00	-
Insurance Cover (Bus/van)	-		-	525,336.00	-
Other Expenses On Investments					
Rent Expenses	-		-	58,000.00	-
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment (Equity bank)	-		-	2,088,858.00	-
Acquisition Of Assets					
<b>Totals</b>	<b>118,481,664.00</b>	<b>-</b>	<b>118,481,664.00</b>	<b>105,226,356.00</b>	
<b>Grand Total</b>	<b>142,164,629.00</b>		<b>142,164,629.00</b>	<b>125,366,790.00</b>	

## 10. Significant Accounting Policies

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

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

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

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

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

## 11. Notes To The Financial Statements

## 1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	3,241,727.75	3,109,835.20
Others		
<b>Total</b>	<b>3,241,727.75</b>	<b>3,109,835.20</b>

## 2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Other vote heads (PE,LT&T,EW&C, ADM)	8,810,925.15	8,599,269.50
Repairs And Maintenance	1,354,000.00	5,018,500.00
Local Transport / Travelling/Rent	25,200.00	34,800.00
Electricity And Water		5,498,160.00
Medical	231,100.00	191,400.00
Administration Costs/Bes A/c		306,443.00
Activity	683,037.50	
<b>Total</b>	<b>11,104,262.65</b>	<b>19,648,572.50</b>

## 3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	8,476,000.00	-
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
<b>Total</b>	<b>8,476,000.00</b>	<b>-</b>

## 4 School Fund Income - Parents Contribution/Fees

Description	<i>Insert Current FY</i>	<i>Insert Comparative FY</i>
	Kshs	Kshs
Other voteheads (PE,LT&T,EW&C,ADM)	34,479,345.00	25,936,802.00
Repairs and maintenance	3,494,111.00	4,283,122.00
Electricity and water		
Medical		
Administration costs		
Activity	1,802,369.00	1,255,144.00
Fee on Boarding Equipment and stores	54,117,346.00	
<b>Total</b>	<b>93,893,171.00</b>	<b>33,409,068.00</b>

## 5 Miscellaneous Incomes

Description	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Parents Teachers Association (PTA)	3,043,127.00	1,934,000.00
Rent Income		396,300.00
Operations Account	163,098.00	602,364.00
Insurance Compensation		
R/D Cheques		40,973.00
Equity Loan	4,797,000.00	1,200,000.00
Exams	6,100.00	
House Rent	308,500.00	
School ID	10,220.00	140,640.00
Tuition Account		55,000.00
Tender fee	58,000.00	
Bes		44,464,978.40
<b>Total</b>	<b>8,386,045.00</b>	<b>46,900,255.40</b>

Notes to the Financial Statements (continued)

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	334,950.00	1,403,665.00
Textbooks		
Reference materials		
Laboratory Equipment	1,118,665.00	280,315.00
Teaching / Learning Materials	865,655.00	1,283,630.00
Internal Exams	488,500.00	793,660.00
Teachers Guides		
Bank Charges	240.00	1,870.00
<b>Total</b>	<b>2,808,010.00</b>	<b>3,763,140.00</b>

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Other voteheads (PE,LT&T, EW&C,ADM)	7,652,478.20	8,633,827.00
Medical	123,725.00	
Administration Cost		
Repairs And Maintenance & Improvements		5,498,160.00
Bes Account		651,864.00
New dormitory		4,178,504.00
New classrooms		904,990.00
Activity Expenses	407,600.00	
Equity Bank	163,098.00	
Bank charges	4,274.00	1,800.00
<b>Total</b>	<b>8,351,175.20</b>	<b>19,869,145.00</b>

## Notes to the Financial Statements (continued)

## 8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms	6,210,579.50	
Construction of Pit latrine	4,800.00	
Construction of dormitory	2,763,290.00	
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Bank charges	2,580.00	
<b>Total</b>	<b>8,981,249.50</b>	

## 9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Other voteheads (PE,LT&T, EW&C,ADM)	23,543,692.80	12,258,105.30
Pit Latrine	30,500.00	
Repairs And Maintenance & Improvements	2,769,474.00	4,149,422.00
Operations account		2,400,000.00
Tuition Account		3,923,715.00
New dormitory	2,034,861.00	4,782,326.00
New classrooms	2,953,610.00	724,200.00
Activity	2,851,985.00	145,320.00
PTA	7,897,797.80	147,858.00
KCSE		6,100.00
Fee On Boarding Equipment and Stores	60,282,947.50	48,925,565.00
Rent Expenses	58,000.00	
Bus/van	525,336.00	222,487.00
Equity	2,088,858.00	435,157.00
R/D Chqs	60,544.00	141,320.00
Tender fee	12,000.00	
PA expenses		
Medical	116,750.00	137,340.00
<b>Total</b>	<b>105,226,355.90</b>	<b>76,238,915.30</b>

ADM –Administration costs

NB: PE – Personnel Emoluments

LT&amp;T- Local Transport and Traveling

EW&amp;C – Electricity, Water and Conservancy

KITUI HIGH SCHOOL  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status Active/Dormant	Bank Account Number	2022-2023	2021-2023
			Kshs	Kshs
Tuition Account	Active NBK	01025051506400	600,078.30	4,530.55
Operations Account	Active NBK	01021051506403	2,754,530.65	40,053.20
School Fund Account/Boarding	Active NBK, Equity, Co-op		1,257,210.53	(154,898.38)
Savings Account	Active NBK	01242051506401	2,904,181.09	3,670,270.09
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account	Active Equity	0720260454970	44,848.65	491,588.15
<b>Total</b>			<b>7,560,849.22</b>	<b>4,361,340.37</b>

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Paybill	3,044,095.53	115,256.58
<b>Total</b>	<b>3,044,095.53</b>	<b>115,256.58</b>

12 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
<b>Total</b>		

## Notes to the Financial Statements (continued)

## 13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	16,889,576.66	19,308,819.47
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	1,016,891.00	892,691.00
Imprest (list/schedule attached)	1,965,763.20	1,965,763.20
Rent arrears (list/schedule attached)		
<b>Total</b>	<b>19,872,230.86</b>	<b>22,167,273.67</b>

## 13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,076,108.00		6,153,368.00	
Between 1- 2 years	2,853,368.00		1,762,288.00	
Between 2-3 years	1,712,527.00		11,393,163.47	
Over 3 years	9,247,573.66			
<b>Total (should tie to note 13 a)</b>	<b>16,889,576.66</b>		<b>19,308,819.47</b>	

## 14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	10,092,858.00	6,134,034.81
Prepaid Fees	1,311,944.00	1,711,878.00
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables ( <i>specify</i> )		
<b>Total</b>	<b>11,404,802.00</b>	<b>7,305,912.81</b>

## Notes to the Financial Statements (continued)

## 14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	9,132,587.00		3,560,271.00	
Between 1- 2 years	960,271.00		1,492,282.00	
Between 2-3 years			1,081,481.81	
Over 3 years				
<b>Total (should tie to note 14)</b>	<b>10,092,858.00</b>		<b>6,134,034.81</b>	

## 15 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	7,560,849.22	4,361,340.37
Cash Balances	3,044,095.53	115,256.58
Short Term Investments		
Receivables	19,872,230.86	22,167,273.67
Payables	11,404,802.00	(7,305,912.81)
<b>Total</b>	<b>19,072,373.61</b>	<b>19,337,957.81</b>

**Other important disclosure notes**

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

**16 Non-current Liabilities Summary**

Description	2022-2023	2022-1-2022
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
<b>Total</b>		

**17 Biological assets**

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	5	130,000.00	120,000.00
Goats			
Trees	1100	1,940,000.00	1,900,000.00
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
<b>Total</b>			

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	764,843.00	
Borrowings during the year	4,797,000.00	
Repayments during the year	2,088,858.00	
<b>Balance at the end of the year</b>	<b>3,472,985.00</b>	

## Other important disclosure notes

## 19 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	140,504.00	411,062.00
Lab consumables	-	-
Farm produce	19,998.00	15,692.00
Medication	-	-
Construction Materials		8,200.00
Others (specify)		

**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)
	NONE	N/A	N/A	N/A

-----  
 Sign and Date  
 Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1. Dormitory						
2. Classrooms						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>				9,132,587.00		
4.						
5.						
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
6.						
7.						
8.						
9. Prepaid fees				9,132,587.00		
<b>Grand Total</b>				9,132,587.00		

KITUI HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land				
Buildings And Structures				
Motor vehicles-Bus	4,000,000.00	Van. 4,797,000.00	-	8,797,000.00
Office Equipment, Furniture And Fittings	5,028,995.00	-	-	5,028,995.00
CCTV	3,982,860.00	180,500.00	-	4,163,360.00
ICT Equipment	7,441,395.00	-	-	7,441,395.00
Tools And Apparatus	2,253,005.00	-	-	2,253,005.00
Other Machinery And Equipment	1,096,625.00	-	-	1,096,625.00
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>	<b>23,802,880.00</b>	<b>4,977,500.00</b>		<b>28,780,380.00</b>