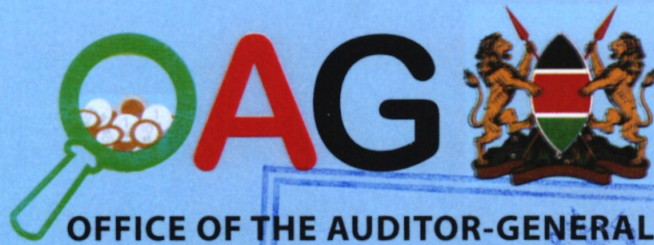


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 26 NOV 2024

TABLED

CLERK-AT THE-TABLE:

HON. NAOMI WAGO, MP
DEP. MAJORITY PARTY WHIP

MERCY CHUMU

Div.
IDE

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

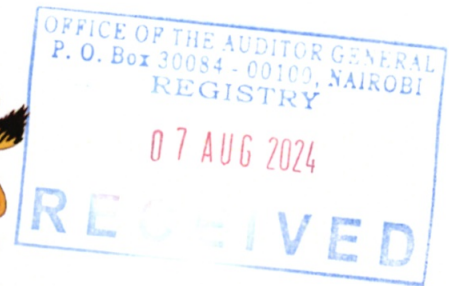
ON

IKUU BOYS' HIGH SCHOOL

**FOR THE SIX (6) MONTHS PERIOD ENDED
30 JUNE, 2021**

THARAKA NITHI COUNTY

Revised 30th June 2021.



IKUU BOYS' HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE SIX MONTHS PERIOD ENDED
30th JUNE 2021**

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

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

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IKUU BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

I. 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 located in Tharaka Nithi County, Meru South Sub-County

The school was registered in 06/2021 under registration number 13800300803 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 965 number of students as at 30th June 2021. It has 5 streams and 51 teachers of which 11 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Prof Adiel Magana	Chairman	
2	Mr. Joseph Mbae	Secretary - Principal	
3	Dr. Benjamin Mugambi	Member	
4	Ms. Phyllis Mbungu	Member	
5	Dr. Kawira Mutegi	Member	
6	Mrs Purity Mbaabu	Member	
7	Eng. Jasper Nkanya	Member	
8		Member – Rep CEB	
9	Mr. Phillip Mumbere	Member Rep Teachers	
10	Rev. Njagi Mboore	Members - Sponsor	
11	Mr. Jacob Kiragu	Member - Community	
12		MemberSpecial Needs	
		Rep Students	

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management includes:

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

(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Prof Adiel Magana Mr. Joseph Mbae Dr. Benjamin Mugambi Mrs Josphine Murithi		3
2	Audit Committee			
3	Finance, procurement and general purposes Committee	Mrs Phiyllis Mbungu Mr. Jacob Kiragu Mr. Adiel Nyange Eng. Jasper Nkanya Rev. Julius Mwambs		3
4	Academic Committee	Dr. Benjamin Kanga Dr. Charity Kawira Mrs. Janejoy Gakenia Prof. John Kobia Mr. Philip Mumbere Mrs Purity Mbaabu Dr. Erick Mwenda		2
5	Development Committee	Prof. John Kobia Prof. Adiel Magana Mr. Joseph Mbae MR. Peter Gitonga Dr. Panyako Omukanga Mrs. Josephine Murithi		5

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

		Scde		
6	Discipline and welfare Committee	Prof. Adiel Magana Mr. Joseph Mbae Dr. Benjamin Kanga Mrs Josephine Murithi		1
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the six months period ended 30th June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Joseph Mbae	323297
2	Deputy Principal /Admin	Peter G. Kiruja	379973
3	Deputy Principal/Academics	Anderson k.Bundi	423584
4	School Bursar	Euridace Kawira Amos	12735028

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 40-60400 Chuka
Telephone: 0703 466 524
E-mail: ikuuboy@gmail.com
Website: www.ikuuboy.com
Facebook:
Twitter:

(f) School Bankers

The following school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Cooperative Bank
Branch: Chuka
Account Number: 0112905706000
2. Name of Bank: Equity Bank
Branch: Chuka
Account Number: 0210299928316
3. Name of Bank: Equity Bank
Branch: Chuka
Account Number: 0210291341145
4. Name of Bank: Equity Bank
Branch: Chuka
Account Number: 0210293514315
5. Name of Bank: KCB
Branch: Chuka
Account Number: 1103666975
6. Name of Bank: Cooperative Bank
Branch: Chuka
Account Number: 01139057006000
7. MPESA Pay Bill No. 400222 attached to Cooperative bank account

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

(g) Independent Auditors

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

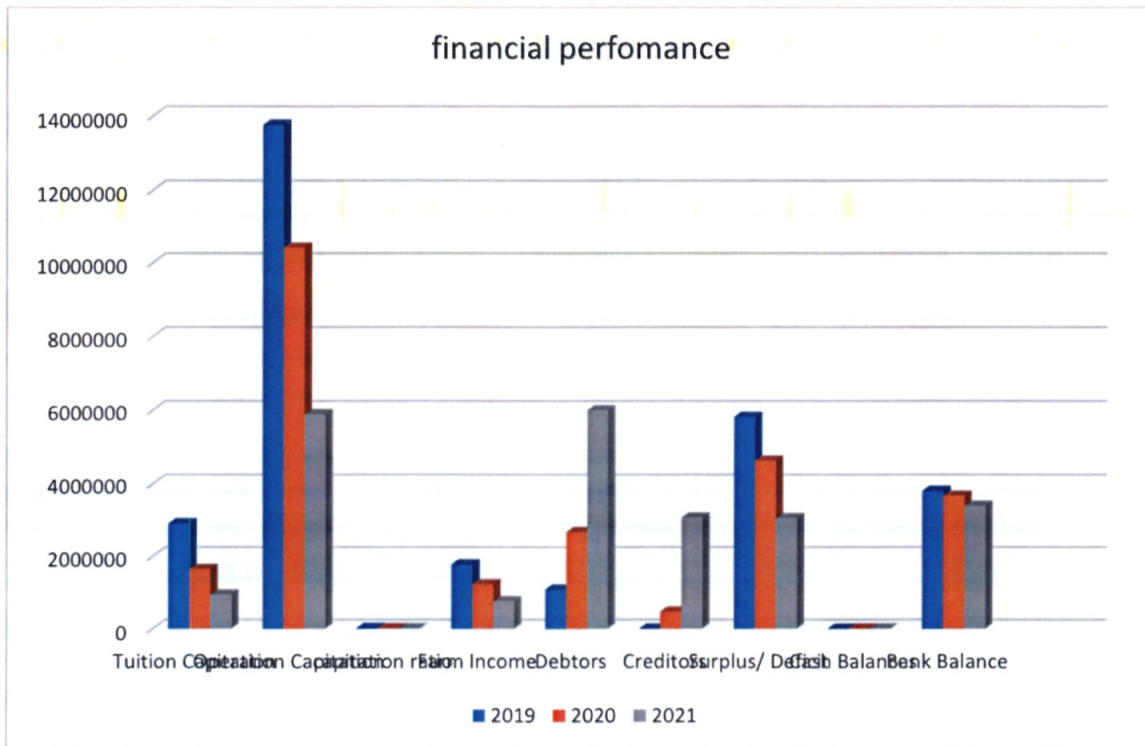
IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial Performance

	2019	2020	2021
Tuition Capitation	2908259.64	1647920	937980
Operation Capitation	13752718.6	10403175	5879196
Capitation ratio per student	19834.49	12685.3	1581.3
Farm Income	1773346.78	1224518.85	752433.45
Debtors	1083338.05	2668599	5982901
Creditors	0	472686	3063376
Surplus/ Deficit	5811641	4627966.2	3048164.5
Cash Balances	786.6	5024.6	2941.6
Bank Balance	3801545.34	3671088.04	3390321.79



IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

b) Teacher Student ratio:

NO. of students	965
No. of Teachers	45
No. of TSC teachers	33
No. of BOM Teachers	12
No of teachers Recruited	5
No.of teachers Transferred	2

c) Mean score in the 2021 KCSE:

YEAR	ENTRY	MEAN GRADE	UN ENTRY
2020	203	8.2118	175
2019	188	8.123	157
2018	207	7.2670	126

d) Number of Candidates in the 2021 KCSE:

Year	entry
2020	203
2019	188
2018	207

e) Capacity of the school:

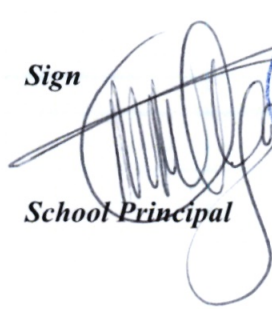
NO. OF STUDENTS	FACILITY	NO OF FACILITIES	CAPACITY
965	DORMITORIES	9	860
	DINNING HALL	1	1200
	LABORATORIES	4	180
	TOILETS	63	990
	LIBRARY	1	100
	COMPUTER LAB	1	40


IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

f) Development projects carried out by the school:

Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format

<i>PROJECT</i>	<i>SOURCE OF FUNDS</i>	<i>STATUS</i>	<i>INITIAL COST-KSH</i>	<i>AMOUNT SPENT-KSH</i>	<i>EXPECTED COMPLETION TIME</i>
<i>CLASS ROOMS PHASE 1</i>	<i>MOE & PARENTS</i>	<i>ONGOING</i>	<i>6,000,000</i>	<i>6,000,000</i>	<i>completed</i>

Sign

School Principal



IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

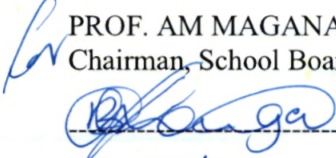
II. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

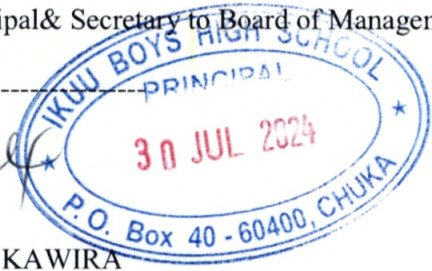
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

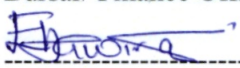
The Board of Management of *IKUU BOYS' HIGH SCHOOL* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: PROF. AM MAGANA
Designation: Chairman, School Board of Management
Sign: 
Date: 26/7/2024

Name: MR. JOSEPH MBAE
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 26/7/2024



Name: EURIDACE KAWIRA
Designation: Bursar/ Finance Officer
Sign: 
Date: 26/07/2024

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 IKUU BOYS' HIGH SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 – THARAKA NITHI 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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 Ikuu Boys' High School – Tharaka Nithi County set out on pages 11 to 29, which comprise of the statement of financial assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the

Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ikuu Boys' High School – Tharaka Nithi County as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects receivables balance of Kshs.19,262,083. The School had long outstanding accounts receivables including students with arrears outstanding for over two (2) years of Kshs.18,190,891. Further, Management has not instituted a policy for management of fees arrears and the outstanding student debtor's balances may affect services offered by the School.

In the circumstances, the accuracy and recoverability of the long outstanding accounts receivables balance of Kshs.18,190,890 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budget versus actual amounts reflects final revenue budget and actual on comparable basis of Kshs.43,618,438 and Kshs.35,726,791 respectively, resulting to under collection of Kshs.7,891,647 or 18% of the approved budget. However, the School spent Kshs.35,795,859 against actual receipts of Kshs.35,726,791 resulting to over-utilization of Kshs.69,068 of the actual receipts. Further the School's receipts and expenditure budget was not balanced.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and 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. Late Submission of Financial Statements for Audit

During the period under review, Management submitted the financial statements to the Auditor-General on 14 April, 2023 instead of the statutory deadline of 30 September 2021. 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.

2. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amounts of Kshs.32,301,898 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.154,600 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School principals only. The organization is not defined in government funding system and there is no assurance that it has implemented effective, efficient and transparent financial management and internal controls to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.154,600 could not be confirmed.

3. Anomalies in Infrastructure Works for the Proposed Classroom Block Phase I and Phase 2-Labour only

The School entered into a contract with a construction company on 24 February, 2020 for the construction of a classroom block Phase I-Labour only for the contract sum of Kshs.2,469,076.24 with project start date of 24 February, 2020 for the contract period of sixteen (16) weeks (four months) to completion date of 16 June, 2020. Review of the contract administration and implementation of the Infrastructure Works for the Proposed Classroom Block Phase I and 2 Labour only-Tender No. IKUU/LABOUR/01/2020 and Tender No. IKUU/LABOUR/02/2020 revealed the following anomalies:

3.1 Lack of Professional Opinion

Review of procurement documents for the proposed classroom block phase one (1) and two (2) revealed that the professional opinion was not issued contrary to Section 84(2),(3) of the Public Procurement and Asset Disposal Act, 2015 in deciding to award a tender, the accounting officer shall consider the views of the head of procurement in the signed professional opinion prior to signing of contract agreement.

3.2 Unsupported Extension of Contract Period

The last approved certificate No.3 dated 25 January, 2021 for phase 1-laboratory only (with date of site meeting of 18 January, 2021) and certificate of practical completion was issued on 25 January, 2021 implying the contract period had lapsed and there was no evidence provided for audit for the approval of extension of contract period contrary to Regulation 32 of the Public Procurement and Asset Disposal Regulations, 2020.

The School entered into a contract with construction company on 22 September, 2020 for the construction of Classroom block Phase 2-Labour only for the contract sum of Kshs.2,037,101.52 with project start date of 22 September, 2020 for contract period of twelve (12) weeks (three months) to completion date of 22 December, 2020. However, the last approved certificate No.3 dated 21 April, 2021 (with date of site meeting of 4 April, 2021) and certificate of practical completion issued on 21 April, 2021 implying the contract period had lapsed and there was no evidence provided for the approval of extension of contract period contrary to Regulation 32 of the Public Procurement and Asset Disposal Regulations, 2020.

3.3 Variance between Contract Sums and Works Certified

Review of the contract sum and the total of works certified as per the various certificates revealed the amount certified was less than the contract sums as shown in the table below:

Contract Sums (Kshs)	Certificate Number	Date of Certificate	Work Certified (Kshs)	Differences (Kshs)
	No.1	18-05-20	1,308,800.16	
	No.2	08-07-20	1,820,107.28	
2,469,076.24	No.3	25-01-21	2,232,761.00	236,315.24

However, the works not certified may have been paid without supporting certificate of valuation of works issued by the technical department of the State Department for Public Works contrary to Section 150 (1) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 139 (1) of the Public Procurement and Asset Disposal Regulations, 2020.

3.4 Misstatement of Retention Amount

Analysis of computation of retention monies on the various statement of payment on account (certificates) issued by State Department of Public Works revealed the reflected retention monies were incorrectly computed based on the retention limit of ten percent (10%) of the contract sum as shown below;

Proposed Classroom Block Phase I- Labour only

Date of Certificate	Retention Deducted as per Certificate (Kshs)	Retention as per Contract (Audit Computed) (Kshs)	Variance (Kshs)
18-05-20	130,880.02	114,807.03	16,072.99
08-07-20	51,130.71	132,100.59	(80,969.88)
25-01-21	41,265.37	-	41,265.37
	223,276.10	246,907.62	(23,631.52)

Proposed Classroom Block Phase 2-Labour only

Date of Certificate	Retention deducted as per Certificate (Kshs)	Retention as per Contract (Audit Computed) (Kshs)	Variance (Kshs)
03-12-20	86,819.62	76,157.56	10,662.06
20-02-21	37,186.12	127,552.59	(90,366.47)
21-04-22	106,704.41	-	106,704.41
	230,710.15	203,710.15	27,000.00

As a result, the retention monies withheld were inadequate contrary to the requirement that retention monies of ten percent (10%) limit to be withheld for contracts.

3.5 Misstatement of Interim Payment on Account

Comparison of valuation of work certified for classroom block phase I-labour only as per the statement for payment on account for various certificates (Certificate 1-3) for Kshs.2,456,550 and the amount payable as per the interim payment on account as proposed by project manager (State Department of Public Works) Kshs.2,232,761 had a variance of Kshs.223,789. As a result, the amount payable exceeded the certified valuation amounts.

3.6 Failure to Withhold Taxes

Payment vouchers and supporting works certificates for the labour contract Phase 1 and Phase 2 revealed withholding taxes relating to income tax and value added tax amounting to Kshs.185,648 were not withheld and remitted to Commissioner of Income Tax contrary to Section of 35(3f) of the Income Tax Act Chapter 470 and Section 42A of the Tax Procedure Act, 2015.

3.7 Misstatements of Contract Amounts Payables

Review of paid amounts as per the payment vouchers and amounts payable as per computation based on certified amounts revealed the amounts paid were in excess on Phase I by Kshs.23,291 and Phase 2 by Kshs.44,438.

In the circumstances, value for money may not have been obtained from the classroom block and 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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on the 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. Ineffectiveness in Management of Text Books

Analysis of text book inventory list revealed that the School had not received text books for some subjects despite there being students enrolled in the respective subjects such as building construction, French and Drawing and Design. Failure to provide enough learning materials can have a negative impact on the performance of the students.

In the circumstances, efficiency and effectiveness of internal controls in place for management of distribution of books could not be confirmed.

2. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed asset register balance with total balance of Kshs.127,885,000. The assets include land valued at Kshs.30,000,000, buildings and structures valued at Kshs.87,100,000 and motor vehicles valued at Kshs.6,075,000. However, title deed for the land is yet to be processed and log book for one vehicle is jointly owned by a financier despite the loan having been fully paid.

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 so as to obtain assurance as to whether effective processes and systems of internal controls, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall 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 follow 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 overall 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 controls 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 controls would not necessarily disclose all matters in the internal controls 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness 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 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 controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to 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

04 November, 2024

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

IV. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

Description Of Vote Head	Note	2021	2020
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	937,980	
Capitation grants for operations	2	4,439,196	
Capitation grants for Infrastructure	3	1,440,000	
School Fund Income- Parents' Contributions	4	31,257,428	
Miscellaneous Income- Other receipts	5	831,384	
Total Receipts		38,905,988	
Payments			
Payments for Tuition	6	814,020	
Payments for operations	7	1,810,060	
Payment for Infrastructure	8	869,881	
Boarding and school fund payments	9	32,301,898	
Total Payments		35,795,859	
Surplus/Deficit		3,110,128	

The school financial statements were approved on 26/07 2024 and signed by:

Sign:

Sign 

Sign 

Name

Name Moses THIGA

Name Eunice Kariuki

Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Date xxxx

Date 

Date 26/07/2024

IKUU BOYS' HIGH SCHOOL
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V. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

Description	Note	2021 Kshs	2020 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	12,296,989	-
Cash balances	11	3,750	-
Short term investments	12	-	-
Total cash and cash equivalent		12,300,740	=
Account's receivables	13	19,262,083	-
Total financial assets		31,562,822	-
Financial liabilities			
Accounts payables	14	(3,412,948)	-
Net financial assets		28,149,874	-
Represented by			
Accumulated fund b/fwd	15	25,039,746	-
Surplus/deficit for the year		3,110,128	-
Net financial position		28,149,874	-

The School's financial statements were approved on 26/07 2024 and signed by:

Name: B. M. KADAGA
 Chairman, BoM

Sign: [Signature]

Date: 26/7/24

Name: Abelac ITIYAA
 School Principal/Secretary
 to BoM

Sign: [Signature]

Date: 26/7/24

Name: Eunice Kariuki
 Bursar/Finance

Sign: [Signature]

Date: 26/7/2024



IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
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VI. STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

Description	Note	2021	2020
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Capitation grants for tuition	1	937,980	-
Capitation grants for operations	2	4,439,196	-
Capitation grants for Infrastructure	3	1,440,000	-
School Fund Income- Parents' Contributions	4	31,257,428	-
Miscellaneous Income- Other receipts	5	831,384	-
Total receipts		38,905,988	-
Payments			
Cash outflows for tuition	6	814,020	-
Cash outflows for operations	7	1,810,060	-
Cash outflows for Infrastructure	8	869,881	-
Cash outflows Boarding/lunch and school fund payments	9	32,301,898	-
Total payments		35,795,859	-
Net cash inflow/outflow from operating activities		3,110,128	-
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		-	-
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		3,110,128	-
Cash and cash equivalent at beginning of the FY		9,190,611	-
Cash and cash equivalent at end of the FY		12,300,740	-

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

IKUU BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

VII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials		-	-		-
Exercise Books	850,000.00	-	850,000.00	689,580.00	160,420.00
Laboratory Equipment	-	-	-		-
Internal Exams	622,239.00	-	622,239.00		622,239.00
Teaching / Learning Materials	676,126.00	-	676,126.00	248,400.00	427,726.00
Exams And Assessment	-	-	-		-
	2,148,365.00	-	2,148,365.00	937,980.00	1,210,385.00
<i>(2) Capitation Grant on Operations</i>	-				
Personnel Emoluments		-	-	-	#DIV/0!
Repairs And Maintenance	3,344,422.50	-	3,344,422.50	1,260,000.00	37.67
Local Transport / Travelling		-	-	-	#DIV/0!
Electricity And Water		-	-	-	#DIV/0!
Medical	971,500.00	-	971,500.00	-	-
Administration Costs	16,549,738.00	-	16,549,738.00	-	-
Activity	1,388,821.50	-	1,388,821.50	-	-
Gratuity		-	-	-	-
SMASSE	95,000.00	-	95,000.00	-	-
	22,349,482.00	-	22,349,482.00	1,260,000.00	#DIV/0!
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	-	-	-	1,440,000.00	#DIV/0!
M&I parents' contribution	-	-	-	-	

IKUU BOYS' HIGH SCHOOL
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For the Six Months Period ended 30 June 2021

Economic Stimulus Programs	-	-	-	-	
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
	-	-	-	1,440,000.00	#DIV/0!
(4) Fees Charged on Parents					-
Personnel Emoluments	-	-	-	-	#DIV/0!
Repairs And Maintenance	-	-	-	436,180.00	#DIV/0!
Local Transport / Travelling	-	-	-	-	#DIV/0!
Electricity And Water	-	-	-	-	#DIV/0!
Medical	-	-	-	-	
Administration Costs	-	-	-	-	#DIV/0!
Activity	-	-	-	264,073.00	#DIV/0!
SMASSE	-	-	-	-	
Fee On Boarding Equipment and Stores	17,990,691.00	-	17,990,691.00	30,557,174.55	169.85
	17,990,691.00	-	17,990,691.00	31,257,427.55	#DIV/0!
5) Miscellenous Income					
Loans / Borrowing	-	-	-	-	
Rent income	48,900.00	-	48,900.00	39,100.00	
Income From Farming Activities	1,081,000.00	-	1,081,000.00	792,284.00	
Insurance Compensation	-	-	-	-	
Income From Posho Mill	-	-	-	-	
Income From Bus Hire	-	-	-	-	
Fee For Hire of Ground and Equipment	-	-	-	-	
Interest Income	-	-	-	-	
Income From Any Other Investment	-	-	-	-	#DIV/0!
	1,129,900.00	-	1,129,900.00	831,384.00	#DIV/0!
Total Income	43,618,438.00	-	43,618,438.00	35,726,791.55	#DIV/0!
(6) Expenditure For Tuition					
Textbooks	-	-	-	-	
Reference Materials	850,000.00	-	850,000.00	324,570.00	
Exercise Books	-	-	-	-	

IKUU BOYS' HIGH SCHOOL
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Laboratory Equipment	622,239.00	-	622,239.00	488,130.00	
Internal Exams	676,126.00	-	676,126.00	-	
Teaching / Learning Materials	-	-	-	-	#DIV/0!
Chalks	-	-	-	-	
Exams And Assessment	-	-	-	-	
Teachers Guides	-	-	-	-	
Administration Costs	-	-	-	-	
Bank Charges	-	-	-	1,320.00	
	2,148,365.00	-	2,148,365.00	814,020.00	#DIV/0!
(7) Expenditure For Operations					
Personnel Emoluments	-	-	-	-	#DIV/0!
Repairs, Maintenance & Improvements	3,344,424.00	-	3,344,424.00	1,810,060.00	54.12
Local Transport / Travelling	-	-	-	-	#DIV/0!
Electricity, Water and Conservancy	-	-	-	-	#DIV/0!
Medical	-	-	-	-	#DIV/0!
Administration Costs	16,549,738.00	-	16,549,738.00	-	-
Activity Expenses	-	-	-	-	#DIV/0!
Gratuity	-	-	-	-	
SMASSE	95,000.00	-	95,000.00	-	
	19,989,162.00	-	19,989,162.00	1,810,060.00	#DIV/0!
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	869,881.00	#DIV/0!
Construction of LAB	-	-	-	-	
Construction of DORMS	-	-	-	-	
Purchase of furniture	-	-	-	-	
Purchase of equipment	-	-	-	-	
Purchase of machinery	-	-	-	-	
	-	-	-	869,881.00	#DIV/0!
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	-	-	-	-	#DIV/0!
Repairs, Maintenance and Improvements	-	-	-	776,068.00	#DIV/0!

IKUU BOYS' HIGH SCHOOL
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For the Six Months Period ended 30 June 2021

Local Transport / Travelling		-	-	-	#DIV/0!
Electricity, Water and Conservancy		-	-	-	#DIV/0!
Medical Expenses	971,500.00	-	971,500.00	-	-
Administration Costs		-	-	-	#DIV/0!
Activity	1,388,821.50	-	1,388,821.50	-	-
Gratuity		-	-	-	
Lunch Programme		-	-	-	
Boarding Equipment and Stores	17,990,691.00	-	17,990,691.00	30,837,676.10	171.41
Expenditure For Income Generating Activity	823,832.00	-	823,832.00	688,154.29	83.53
Insurance Costs		-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	15,000.00	-	15,000.00	-	-
Bank Charges		-	-	-	-
Loan Interest Repayment		-	-	-	-
Loan Principal Repayment		-	-	-	-
Acquisition Of Assets		-	-	-	-
	21,189,844.50	-	21,189,844.50	32,301,898.39	#DIV/0!
Totals	43,327,371.50	-	43,327,371.50	35,795,859.39	#DIV/0!

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

- i. *Due to closer of school because of corona, all fees payment for term 1 & 2 2020 was converted to fee arrears where by in January to June we only receipted term 3 fees & Term 1 2021.
 In January 2021 the administration used more funds in motivational talks and counselling to students due to long holidays effects.*

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

IKUU BOYS' HIGH SCHOOL
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For the Six Months Period ended 30 June 2021

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021

IKUU BOYS' HIGH SCHOOL
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IX. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

Description	2021	2020
	Kshs	Kshs
Reference Materials	689,580.00	-
Exercise Books	248,400.00	-
Laboratory Equipment	-	-
Internal Exams		-
Teaching / Learning Materials	-	
Others (<i>specify</i>) *	-	-
Total	937,980.00	-

2 CAPITATION GRANT FOR OPERATIONS

Description	2021	2020
	Kshs	Kshs
Personnel Emoluments	-	
Repairs and Maintenance	1,260,000.00	-
Local Transport / Travelling		-
Electricity And Water	-	-
Medical	-	-
Administration Costs	-	-
Activity	-	-
Other Vote Heads (<i>specify</i>) *	3,179,196.00	-
Total	4,439,196.00	-

3 CAPITATION GRANT FOR INFRASTRUCTURE

Description	2021	2020
	Kshs	Kshs
Maintenance & Improvement	1,440,000.00	-
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (<i>specify</i>)(<i>NGCDF and County govt.</i>)	-	-
Total	1,440,000.00	-

IKUU BOYS' HIGH SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

Description	2021	2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	436,180.00	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	264,073.00	-
Fee on Boarding Equipment and stores	10,239,162.00	-
Parent contributions other receipts**	12,704,677.55	-
Others (ltt, ewc, adm costs & p/ emol)	7,613,335.00	-
Total	31,257,427.55	-

Parent contributions other receipts***(uniform, PA fund,un reg, losses recovery pocket money)

5 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

Description	2021	2020
	Kshs	Kshs
Rent Income	39,100.00	-
Income From Farming Activities	792,284.00	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (<i>specify</i>)*	-	-
Total	831,384.00	-

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

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR TUITION

Description	2021	2020
	Kshs	Kshs
Exercise Books	324,570.00	-
Textbooks	488,130.00	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	1,320.00	-
Others (<i>specify</i>)	-	-
Total	814,020.00	-

7 PAYMENTS FOR OPERATIONS

Description	2021	2020
	Kshs	Kshs
Personnel Emoluments	-	-
Service Gratuity	-	-
Administration Cost	-	-
Repairs And Maintenance & Improvements	-	-
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	-	-
Activity Expenses	-	-
Insurance Cost	-	-
Others (<i>specify</i>)	1,810,060	-
Total	1,810,060	-

Others (ltt, ewc, adm costs & p/emol)

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 PAYMENTS FOR INFRASTRUCTURE

Description	2021	2020
	Kshs	Kshs
Construction of classrooms	869,881	-
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
Total	869,881	-

9 BOARDING AND SCHOOL FUND PAYMENTS

Description	2021	2020
	Kshs	Kshs
Personnel Emoluments	-	-
Service Gratuity	-	-
Repairs and Maintenance & Improvements	776,068.00	-
Local Transport / Travelling	-	-
Electricity and Water	-	-
Medical Expenses	-	-
Administration Costs	-	-
Lunch Programme	-	-
Bank Charges	-	-
Expenses On Income Generating Activities**	688,154.29	-
Fee On Boarding Equipment and Stores	12,335,847.00	-
Rent Expenses	-	-
Insurance Cost (<i>Life Property</i>)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
PA expenses	-	-
Others	10,905,806.00	-
Others payments	7,596,023.10	-
Total	32,301,898.39	-

Others (ltt, ewc, adm cost, & p/emol)

Other payments (uniform,pa fund,un reg, losses recovery pocket money fee refundable donations, Bursaries)

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 BANK ACCOUNTS

Account Name & Currency	Status	Bank Account Number	2021	2020
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0210291341145	263,031.09	-
Operations Account	Active	1103666975	4,546,383.25	-
School Fund Account/Boarding	Active	0210299928316 & 01129057006000	3,390,321.79	-
Savings Account	Active	502000975200	2,517,359.35	-
Income Generating Activities Account	Active	0210293514315	90,573.08	-
Infrastructural Account	Active	01139057006000	1,489,320.60	-
Total			12,296,989.16	-

11 CASH IN HAND

Description	2021	2020
	Kshs	Kshs
Notes and Coins	3,750.42	-
Total	3,750.42	-

12 SHORT TERM INVESTMENTS

Description	2021	2020
	Kshs	Kshs
Cooperative shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed deposit	xxx	xxx
Equity stock	xxx	xxx
Other investments	xxx	xxx
Total	xxx	xxx

IKUU BOYS' HIGH SCHOOL
Annual Report and Financial Statements
For the Six Months Period ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 ACCOUNTS RECEIVABLE

Description	2021	2020
	Kshs	Kshs
Fees arrears	19,242,082.85	Xxx
Other non-fees receivables	0	xxx
Salary advances	20,000	xxx
Imprest	0	xxx
Total	19,262,082.85	xxx

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

13 (b) Ageing Analysis of Accounts Receivable

Description	2021		2020	
	Kshs		Kshs	
	2021	% of the total	2020	% of the total
Less than 1 year	1,051,192.00	5.46	-	#DIV/0!
Between 1- 2 years	-	-	-	-
Between 2-3 years	18,190,890.85	94.54	-	-
Over 3 years	-	-	-	#DIV/0!
Total (should tie to note 13 a)	19,242,082.85	100.00	-	#DIV/0!

14 ACCOUNTS PAYABLE

Description	2021	2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	3,367,559.00	-
Bursary	37,239.00	-
Retention Monies	-	-
Salary Advance	-	-
Caution money	-	-
Other payables -Club	8,150.00	-
Total	3,412,948.00	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

14(b) Ageing Analysis of Accounts Payable

Description	2021		2020	
	Kshs		Kshs	
	2021	% of the total	2020	% of the total
Less than 1 year	2,217,524.00	65.85	-	#DIV/0!
Between 1- 2 years	-	-	-	#DIV/0!
Between 2-3 years	1,150,035.00	34.15	-	#DIV/0!
Over 3 years	-	-	-	#DIV/0!
Total (should tie to note 14)	3,367,559.00	100.00	-	#DIV/0!

15 FUND BALANCE BROUGHT FORWARD

Description	2021	2020
	Kshs	Kshs
Cash Balances	5,833.42	
Bank Balances	9,184,778.00	-
Short Term Investments	-	
Receivables	16,958,327.85	-
Payables	(1,109,193.00)	-
Total	25,039,746.27	-

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Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

16 Non-current Liabilities Summary

Description	2021	2020
	Kshs	Kshs
Bank loan(s)	xxx	xxx
Outstanding Leases	xxx	xxx
Hire purchase	xxx	xxx
Gratuity and leave provision	xxx	xxx
Total	xxxx	xxx

17 Biological assets

Description	Numbers	2021	2020
		Kshs	Kshs
Cattle	10	395,000	xxx
Sheep	27	108,000	xxx
Trees	2021	8,970,000	xxx
Tea plantation		287,500	Xxx
Rabbits		7,000	xxx
Banana plantation		301,500	
Nappier grass		30,000	
Fish		140,000	
pigs		1,352,000	
Total		11,590,500	xxx

18 Borrowings

Description	2021	2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	0	xxx
Borrowings during the year	0	xxx
Repayments of during the year	0	(xxx)
Balance at end of the year	0	xxx

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Other important disclosure notes

19 Stock/ Inventory

Description	2021	2020
	KShs	KShs
b) Borrowings	0	
Stock/ inventory at beginning of the year	9,436,016	xxx
Stock/ inventory purchased during the year	12,240,847	xxx
Stock/ inventory issued during the year	20,758,288	(xxx)
Balance at end of the year	918,575	xxx

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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)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Repairs & Maintenance						
1. Chuka Ritho Stores				75600		
2. Benson Mburia Transporters				81000		
Sub-Total						
Supply of goods						
3. Amolink Joint Stores				420120		
4. Rothy Investment				19500		
5. School Farm				122174		
6 Jofcah General Supplies				636030		
7. ken Afric Bakery Ltd				124762		
8. Lenham Enterprises				23300		
9. Jokimas Investments				80000		
10. Markimu Enterprises				151130		
11. Evidza General Supplies				632800		
12. Bettarth Enterprises				252000		
13 .Descana Machines				205850		
14. Kilolight Enterprises				56080		
15. Emphantus Mutwiri				13600		
16. Mwendantu Enterprises ltd				44160		
17. Ebenezer Traders Ltd				11140		
18. Saricare Pharmacy				52770		
19. Lenham Enterprises				23300		
Supply of services						
20. Jeva Furniture's & Timber				38110		
Grand Total				3,063,426		

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 20XX-1	Comments
20.						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1			5000			30,000,000
Land 2						0
Buildings and structures	2014					87,100,000
Motor vehicles (KBW 603V)	8/7/2013		10,700,000			4,850,000
Motor vehicle KAJ 986J)	30/7/1999		7,400,000			1,225,000
Office equipment, furniture and fittings	2016					1200000
ICT Equipment, and Other ICT Assets	2020					1120000
Tools and apparatus	2018					70000
Textbooks	2021					1350000
Other Machinery and Equipment	2019					755000
Heritage and cultural assets	1982					70000
Intangible assets- soft ware	2009					150000
Total						127,885,000

(The School should ensure that a detailed fixed assets register is maintained)