

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 10 JUN 2025

DAY.

TUESDAY

PARLIAMENT  
OF KENYA  
LIBRARY

OF

TABLED  
BY:

HON. MADMI WAQO,

DEPUTY CHIEF WHIP

CLERK-AT  
THE-TABLE:

PERPETUAL MUIGA.

**THE AUDITOR-GENERAL**

ON

**IKUU BOYS HIGH SCHOOL**

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

**THARAKA NITHI COUNTY**



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**IKUU BOYS HIGH SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2024**

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

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms.**

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
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

**B. Definition of Key Terms**

**Comparative Year-** Means the prior period.

*(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)*

**2. Key School Information and Management**

**(a) Background information**

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

The school was registered in 06/22 under registration number 13800300803 and is currently categorized as a *National*, public school established, owned or operated by the Government.

The school is a day/boarding school and had xxx number of students as at 30<sup>th</sup> June 2024. 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	DR. Benjamin M. Kanga	Chairman	July 2022
2	Mr. Joseph Mbea	Secretary - Principal	July 2022
3	Dr. Very Rev.JG Mwamba	Member	July 2022
4	Mr.Adiel Nyange	Member	July 2022
5	Mrs . Josphine Murithi	Member	July 2022
6	Mr. Fredrick Michen	Member	July 2022
7	DR. Grace G.Murithi	Member	July 2022
8	Dr.Eric Mwenda	Member – Rep CEB	July 2022
9	Mr.Lawrence Mutegi	Member Rep Teachers	July 2022
10	Rev.Njagi Boore	3 Members - Sponsor	July 2022
11	Ms.Ammaillah Mulwa	Member - Community	July 2022
12	Mr. Ashford Rugendo	Member Special Needs	July 2022
13		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, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

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

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	<b>Prof Adiel Magana</b> <b>Mr. Joseph mbae</b> <b>Dr. Benjamin Kanga</b> <b>Mrs Josphine Mugambi</b>		2
2	Audit Committee			0
3	Finance, procurement and general purposes Committee	Mrs phillis Mbungu Mr.Jacob Kiragu Mr.Adiel Nyange Eng.Jasper Kanya Rev.Julius Mwamba		

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 Scde		3
6	Discipline and welfare Committee	Prof. Adiel Magana Mr. Joseph Mbae Dr. Benjamin Kanga Mrs Josephine Murithi		3
7	Adhoc Committee (if any during the year)			

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June, 20XX the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Morris M. Thigaa	323297
2	Deputy Principal/Adm	Anderson M. Gitonga	
3	Deputy Principal/Academics	Anderson K. Bundi	423584
4	Bursar	Euridace K.Amos	12735028

**(e) Schools contacts**

Post Office Box: 40-60400  
 Telephone: 0703 466 524  
 E-mail: [ikuuboy@gmail.com](mailto:ikuuboy@gmail.com)  
 Website: [www.ikuuboy.com](http://www.ikuuboy.com)  
 Facebook:  
 Twitter:

**(f) School Bankers**

The School operated 7 number of bank accounts in the following banks

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. Savings Account Farm  
Bank- Southern Star  
Branch Chuka  
Account Number 502000975200

**(g) Independent Auditors**

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

**3. Summary Report of Performance of The School**

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

**a) Financial performance:**

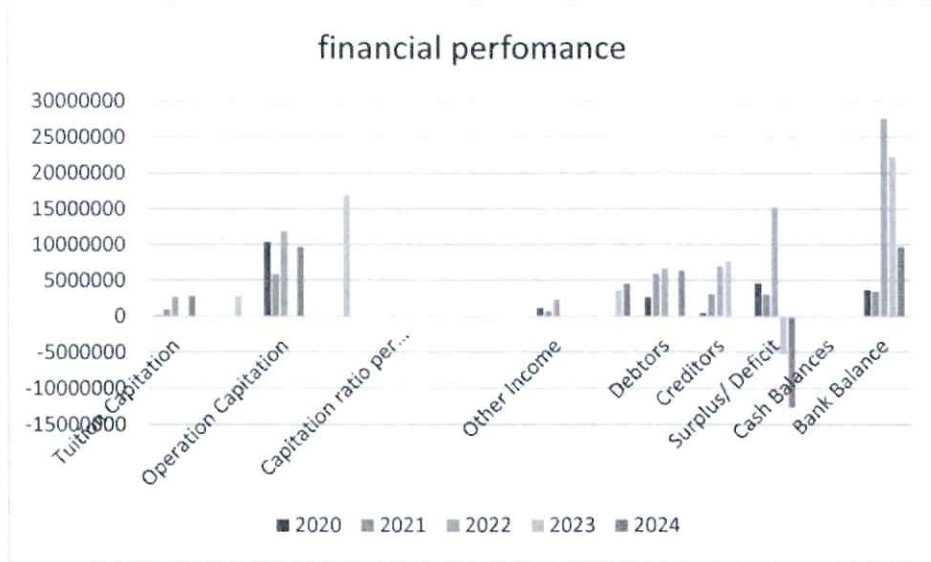
*(Under this section, the following information should be given:*

- *Surplus/ deficit for the year and a comparison of the same for the last three years*
- *Capitation grants from the Ministry of Education for the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*

*Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).*

**a) Financial Performance**

	2022	2023	2024
Tuition Capitation	2,775,928	2,849,657	2,866,495.40
Operation Capitation	11,894,758	16,919,064	9,712,289.90
Capitation ratio per student	14,106	19,008	10,482.
Other Income	2,371,851	3,632,146	4,611,996.60
Debtors	6,740,127	8,112,458	6,390,574.30
Creditors	6,994,489.55	7,662,944	5,2667,55
Surplus/ Deficit	15,259,590	(5,219,779)	(12,600,974.66)
Cash Balances	15,749	7,081	64,364.40
Bank Balance	27,544,586.6	22,333,469	9,675,211.74



**b) Teacher Student ratio:**

NO. of students	1200
No. of Teachers	59
No. of TSC teachers	51
No. of BOM Teachers	8
No of teachers Recruited	0
No.of teachers Transferred	4

**c) The mean score in the 2021 to 2023 KCSE:**

YEAR	ENTRY	MEAN GRADE	UN ENTRY
2023	237	8.059	200
2022	207	8.2077	182
2021	244	802131	207

**d) Number of Candidates in the 2021 to 2023 KCSE:**

Year	entry
2023	237
2022	207
2021	244

**e) The capacity of the school:**

NO. OF STUDENTS	FACILITY	NO OF FACILITIES	CAPACITY
1200	DORMITORIES	10	1250
	DINNING HALL	1	1200
	LABORATORIES	4	180
	TOILETS	63	990
	LIBRARY	1	100
	COMPUTER LAB	1	40

**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).*

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory Phase 3	FSC	ONGOING	7,157,070	7,527,571	COMPLETED

  
 CHIEF PRINCIPAL  
 06 MAY 2025  
 School Principal  
 P. O. Box 40 - 60400, CHUKA

**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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of *IKUU BOYS* 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, 2024, and of the school's financial position as at that date.

.....*DR. BENJAMIN KANGA*.....

Name:

*B. Kanga*

Designation: Chairman, School Board of Management

Date:

.....*MORRIS MUGAA*.....

Name:

*M. Mugaa*

Designation: School Principal & Secretary to Board of Management

Date:

*06/05/25*



.....*EURDACE KAMOS*.....

Name:

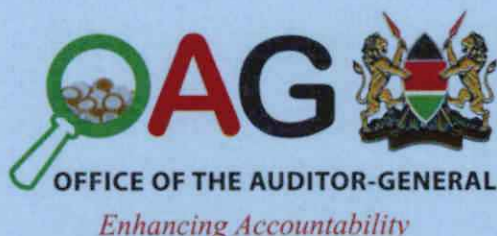
*E. Kamus*

Designation: Bursar/ Finance Officer

Date:

*07/05/2025*

# REPUBLIC OF KENYA



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

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

## **REPORT OF THE AUDITOR-GENERAL ON IKUU BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – THARAKA NITHI COUNTY**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Ikuu Boys High School - Tharaka Nithi County set out on pages 1 to 22, which comprise of the statement of assets and

liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ikuu Boys High School - Tharaka Nithi County as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Long Outstanding Accounts Receivable**

The statement of assets and liabilities reflects accounts receivable balance of Kshs.21,996,647 being fee arrears. However, the fee arrears balance of Kshs.21,996,647 includes a balance of Kshs.15,606,073 that had been outstanding for more than two (2) years without being recovered. However, the School does not have a policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the accuracy, completeness and full recoverability of the outstanding receivables balance of Kshs.15,606,073 could not be confirmed.

#### **2. Inaccuracy of School Fund Income-Parents' Contribution**

The statement of receipts and payments and as disclosed in Note 4 to the financial statement reflects school fund income-parents' contribution of Kshs.84,657,816 while the statement of cash flow reflects actual collection of Kshs.99,470,810, an indicator that receivables totalling Kshs.14,812,994 were collected during the year. However, review of the statement of assets and liabilities revealed that the receivable balance decreased by Kshs.1,515,432 instead of the expected Kshs.14,812,994. The resulting variance of Kshs.13,297,562 has not been reconciled or explained.

In the circumstances, the accuracy and completeness of the school fund income – parents' contribution amount of Kshs.84,657,816 could not be confirmed.

#### **3. Unsupported Property, Plant and Equipment Balance**

Annex 2 to the financial statements discloses land and buildings and structures valued at Kshs.30,000,000 and Kshs.108,700,000, respectively, totalling Kshs.138,700,000. However, a title deed covering approximately 1.62 hectares (about 4 acres) was provided for audit review, not the twenty-two (22) acres recorded in the asset register. The ownership documents for the balance of approximately eighteen (18) acres have not been provided for audit.

Further, the asset register did not reflect values for various classes of assets and was therefore incomplete. Physical inspection of the assets' existence at the School in April, 2025 revealed that they do not have specific identification references for ease of identification and tracking.

In the circumstances, the accuracy, completeness, ownership and existence of the fixed assets could not be confirmed.

#### **4. Unsupported Expenditure on Competence Based Curriculum Classroom**

The statement of receipts and payments reflects infrastructure amount of Kshs.10,382,750, which as disclosed in Note 8 to the financial statements includes payment for the construction of a competence-based curriculum (CBC) classroom amounting to Kshs.748,809. However, the supporting procurement documents in respect to how the tendering was done, contract awarded, scope and specifications of works to be carried out were not provided for audit verification.

Further, physical inspection of the project in April, 2025 revealed that the classroom was complete but had not been put into use and was being used as a store for obsolete items.

In the circumstances, value for money in the procurement and expenditure on construction of a competence-based curriculum (CBC) classroom amounting to Kshs.748,809 was not realized.

#### **5. Unsupported Procurement and Payment of Legal services**

The statement of receipts and payments reflects payments for boarding and school fund amount of Kshs.96,900,474 which, as disclosed in Note 9 to the financial statements, includes parent association expense amount of Kshs.11,347,710. The latter amount further includes an amount of Kshs.503,232 being payment of legal fee, court filing fee and other expenses for the school civil suit. However, records such as case files, court proceedings, court attendance, contract agreements, approval use private legal consultants and procurement records on how the firm was identified were not provided for audit verification.

In the circumstances, the accuracy and completeness of legal fee amounting to Kshs.503,232 could not be confirmed.

The audit was conducted in accordance with 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 comparison of budget and actual amounts reflects total final budgeted income on comparable basis of Kshs.89,440,037 and Kshs.121,628,432, resulting to

over-funding of Kshs.32,188,395 or thirty-six (36) percent of the total income budget. Similarly, the School spent Kshs.134,229,406 against actual receipts of Kshs.121,628,432 resulting over utilization of Kshs.12,600,974 or 10% of the actual receipts.

The over-funding and over-utilization is an indicator of poor systems for budgeting.

My opinion is not 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. Except for the effect of matters described in the Basis for Qualified Opinion section, I have determined that there were no key audit matters to report in the year under review.

### **Other Matter**

#### **Unresolved Other Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations. In addition, Annex 20 on follow up on auditors' recommendations comprising of summary of issues raised by the external auditor, and management comments was not completed.

### **Other Information**

Management is responsible for the other information set out on page iii to xi which comprise of the School's Information and Overall Performance, Statement of Performance against the School's Predetermined Objectives, Environmental and Sustainability Reporting and the Statement of School's Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Unbalanced Budget**

The statement of comparison of budget and actual amounts reflects total final budgeted income of Kshs.89,440,037 which exceeded the final budgeted expenditure of Kshs.88,456,585 by an amount of Kshs.983,452. This was contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states inter alia, that the budget shall be balanced.

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

### **2. Irregular Transfer of Funds to Kenya Secondary School Heads Association**

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects payments for boarding and school fund amounting to Kshs.96,900,474. Included in the expenditure is an amount of Kshs.2,560,600 in respect to activity fee. The latter amount includes transfers totalling Kshs.1,233,600 to Kenya Secondary School Heads Association (KESSHA). However, it was noted that KESSHA is a welfare organization that draws its membership from secondary school Principals only. In addition, this organization is not defined in Government of Kenya funding and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money on transfer to KESSHA amounting to Kshs.1,233,600 could not be confirmed.

### **3. Irregular Prescription for Suppliers of School Uniforms**

Statement of receipts and payments reflects boarding and school fund balance amount of Kshs.96,900,474 which as disclosed in Note 9 to the financial statements includes expenditure amount on uniform totalling Kshs.3,211,223. However, review of payment vouchers and other supporting documents revealed that the payments were made to nine (9) suppliers for supply of school uniform against the Regulation 67(3) of the Basic Education Act, 2015 which requires that no institution shall prescribe a specific supplier of school uniforms or any other materials for the parent or guardian.

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

#### **4. Unapproved Additional School Levies**

Statement of receipts and payments reflects school fund income/parents' contributions of Kshs.84,357,816 which as disclosed in Note 4 to the financial statements, includes Parents' Association levies amount of Kshs.12,683,973 being additional charge to the school fee.

However, the Ministry's approval for additional fees to the school fee structure was not provided for audit review contrary to Section 29(1)(b) of the Basic Education Act, 2013 which states that other charges may be imposed at a public school with the approval of the Cabinet Secretary in consultation with the County Education Board provided that no child shall be refused to attend school because of failure to pay such charges.

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

#### **5. Delayed and Un-transferred Infrastructure Funds from the Operations Bank Account**

Review records revealed that the school received operations capitation grant amount totalling Kshs.13,88,690 from the Ministry of Education during the year under review out of which an amount of Kshs.4,528,800 was supposed to be transferred to the school infrastructure bank account for maintenance and improvement of the school facilities. However, an amount of Kshs.4,178,800 was transferred to the school infrastructure bank account resulting into under-transfer amount of Kshs.350,000.

In addition, transfer amounts of kshs.800,000 and Kshs.594,800 were done one hundred and thirty-seven (137) days and two hundred and fifty-eight (258) days respectively after receipt of the infrastructure funds in the operations account. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

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

#### **6. Inaccuracy of Student Enrollment Data**

Review of data in respect to the number of students in the National Education Management Information System (NEMIS) against the enrolment record provided by the School revealed variances in records of the students as per NEMIS and the enrolment registers resulting into the school being under funded by an amount of Kshs.1,981,138. This is contrary to the Ministry of Education Circular MOE.HQs/3/10/18/(46) dated 7 February, 2022 and Circular MOE.HQS/3/13/3 dated 16 June, 2021 on Guidelines on implementation of Free Day Secondary Education (FDSE) which requires that all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

## **7. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. Progress on follow-up of Auditor-General recommendations has not been filled and signed by the Accounting Officer.
- ii. The statement of budgeted versus actual amounts reflects material performance variances which have not been explained in footnotes.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making.

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

### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

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

#### **Basis for Conclusion**

##### **1. Ineffective Audit Committee**

During the year under review, there was no evidence of follow up on the implementation of the recommendations of internal and external auditors by the audit committee. No satisfactory reasons were provided for this anomaly.

In the circumstances, the absence of follow up by the audit committee may lead to poor risk management strategies, ineffective internal control and weak governance within the school.

##### **2. Weaknesses in the Management of Textbooks**

Review of textbook records established the following inefficiencies during the audit review.

- i. There was no evidence of the establishment of the School Instructional Materials Selection Committee (SIMSC) to determine annual need assessment of textbooks and subject instructional material required by the school.
- ii. Analysis of textbook inventory revealed that a total of six hundred and seventeen (617) books were lost in the year under review. However, there were no immediate controls or systems to minimize losses or recover the textbooks lost during the year under review.
- iii. The school had a total of one thousand five hundred and twenty-three (1523) textbooks that were not issued to learners and were not properly stored, resulting in textbooks piled on the floor, hence exposure to damage during rains or water spillage during the cleaning session.

In the circumstances, effective measures for text book inventory control and strategies to prevent losses and recover lost text book could not be confirmed.

### **3. Ineffective Board of Management**

Review of the Board of Management (BoM) meeting records for the financial year revealed the following anomalies;

- i. Two (2) Committees comprising of Audit, Human Rights and Student welfare Committee and Discipline, Ethics and Integrity Committee did not meet during the year under review.
- ii. There was no evidence of written notice being issued to all members before the meetings held. This undermines transparency, preparedness, and informed participation in decision-making.
- iii. The Board did not evaluate its performance for the financial year under review.
- iv. The Board did not set out the board work plan during the year under review.
- v. Appointment letters for four (4) Board Members were not provided for audit review. In addition, none of the Board Members had provided written acceptance of their appointments.
- vi. The Board has only two (2) representatives of the school sponsor instead of the required three (3) and lacks a representative of the Students' Council.

In the circumstances, the effectiveness of controls in respect to governance and oversight in the school could not be confirmed.

### **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 Operation Manual for utilization of learner capitation grant and other school funds, which requires Schools to identify in every three-year school improvement planning cycle, one priority area in each of the four

key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, the effectiveness measures implemented by Management in order to realize the development of the School could not be confirmed.

#### **5. Lack of Approved Staff Establishment and Human Resource Policy Documents**

During the audit, it was noted that the School does not have the Human Resource (HR) policy documents and approved staff establishment. In addition, personal files containing contracts, appointment letters, academic and other testimonial documents for teachers employed by the Board were not provided for audit review

In the circumstances, the controls in respect to staffing levels and human resource management could not be confirmed.

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

#### **Responsibilities of Management and the Board of Management**

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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Management is responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**09 May, 2025**

6. Statement of Receipts and Payments for the Year Ended 30<sup>th</sup> June 2024

Description Of Vote Head	Note	2023-2024 Kshs	2022-2023 Kshs
<b>Receipts</b>			
Government grants for tuition	1	2,866,495	2,849,657
Government grants for operations	2	9,712,288	8,269,064
Government Grants for infrastructure	3	4,966,840	9,150,000
School fund income- parents' contributions	4	84,657,816	88,155,828
Miscellaneous incomes	5	4,611,997	3,632,146
<b>Total Receipts</b>		<b>106,815,436</b>	<b>112,056,696</b>
<b>Payments</b>			
Tuition	6	2,167,704	2,875,610
Operations	7	10,614,641	9,470,265
Infrastructure	8	10,382,750	4,258,270
Boarding and school fund	9	96,900,474	100,672,329
<b>Total Payments</b>		<b>120,065,569</b>	<b>117,276,474</b>
<b>Surplus/Deficit</b>		<b>(13,250,133)</b>	<b>(5,219,779)</b>

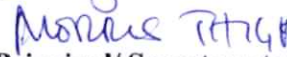
The school financial statements were approved on \_\_\_\_\_ 2024 and signed by:

Dr. Benjamin Kanga 

Name: 

Chair BOM

Date:

Name:   
School Principal/ Secretary to BOM

Date: 6/5/2025



Name: EUNICE K. AUO

Bursar/ Finance Officer


Date: 07/05/2025






7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2024

Description	Note	2023-2023	2022-2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	9,675,211	22,333,469
Cash balances	11	64,365	7,081
Short term investments	12	0	0
<b>Total cash and cash equivalent</b>		<b><u>9,739,576</u></b>	<b><u>22,340,551</u></b>
Account's receivables	13	21,996,647	23,512,079
<b>Total financial assets (a)</b>		<b>31,736,223</b>	<b>45,852,630</b>
<b>Financial liabilities</b>			
Accounts payables	14	6,796,671	(7,662,944)
<b>Total Financial Liabilities (b)</b>		<b>6,796,671</b>	<b>(7,662,944)</b>
<b>Net financial assets (a-b)</b>		<b><u>24,939,552</u></b>	<b><u>38,189,686</u></b>
<b>Represented by</b>			
Accumulated fund b/fwd 1/07/2023	15	38,189,685	43,409,465
<b>Surplus/deficit for the year</b>		<b>(13,250,133)</b>	<b>(5,219,779)</b>
<b>Net Assets</b>		<b><u>24,939,552</u></b>	<b><u>38,189,686</u></b>

The school's financial statements were approved on \_\_\_\_\_ 2024 and signed by:

..... DR. BENJAMIN KARAN  .....

Name:  Name:   
 Chair BOM School Principal/ Secretary to BOM  
 Date: \_\_\_\_\_ Date: 

.....  .....

Name: EUKIOCE K. AUDO  
 Bursar/ Finance Officer  
 Date: 02/05/2025



**Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2024**

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		2,866,495	2,849,657
Government grants for operations		9,712,290	8,269,064
Government grants for infrastructure		4,966,840	9,150,000
School fund income- parents contributions/ fees		99,470,810	88,155,828
Other income		4,611,997	3,632,146
<b>Total receipts</b>		<b>121,628,432</b>	<b>112,056,696</b>
<b>Payments</b>			
Cash outflows for tuition		2,166,414	2,875,610
Cash outflows for operations		10,614,641	9,470,265
Cash outflows Boarding/lunch and school fund payments		111,065,601	100,672,329
<b>Total payments</b>		<b>123,846,656</b>	<b>113,018,204</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>(2,218,224)</b>	<b>(961,508)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		(10,382,750)	(4,258,270)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash inflow/outflows from investing activities</b>		<b>(10,382,750)</b>	<b>(4,258,270)</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash inflow/outflow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>(12,600,974)</b>	<b>(5,219,779)</b>
Cash and cash equivalent at beginning of the FY		22,340,550	27,560,330
<b>Cash and cash equivalent at end of the FY</b>		<b>9,739,576</b>	<b>22,340,551</b>

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

(The above presentation of the 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).

The school's financial statements were approved on \_\_\_\_\_ 2024 and signed by:

IKUU BOYS HIGH SCHOOL.

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024

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DR. Benjamin Kawa

Name: *[Signature]*

Chair BOM

Date:

*[Signature]*

Name: *Nomi Tjua*  
School Principal/ Secretary to  
BOM

Date: *06/05/25*

*[Signature]*

Name: *Euronee K. A. A. A.*

Bursar/ Finance Officer

Date: *07/05/2025*



8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Receipts</b>					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	-	-	-	-	-
Exercise Books	1,973,592	-	1,973,592	-	-
Laboratory Equipment	2,386,023	-	2,386,023	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	500,000	-	500,000	2,866,495	573
Sub-Total	4,859,615	--	4,859,615	2,866,495	-
<i>(2) Capitation Grant on Operations</i>					
Others(pe,lt7t, adm costs, EWC)	11,029,960	-	11,029,960	9,137,602	83
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	95,100	-
Administration Costs	-	-	-	-	-
Activity	1,760,100	-	1,760,100	479,587	27
Gratuity	-	-	-	-	-
Sub- Total	12,760,060	-	12,760,060	9,712,289	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/e %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE	5,844,472	-	5,844,472	4,178,800	72
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	788,040	-
Administration Block	-	-	-	-	-
Sub-Total	5,844,472		5,844,472	4,966,840	
<b>(4) Fees Charged on Parents</b>					
Others (PE, LT&T, EWC. ADM COST)	23,778,148	-	23,778,148	24,005,620	100
Repairs And Maintenance	2,373,248	-	2,373,248	2,072,045	87
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	-	-
Parents contribution other receipts	-	-	-	35,691,558,	-
Activity	823,958	-	823,958	865,728	105
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	35,750,336	-	35,750,336	36,835,859	103
Sub-total	62,725,690		62,725,690	99,470,810	
<b>5) Miscellaneous Income</b>					
Rent income	97,800	-	97,800	85,350	87
Income From Farming Activities	2,672,400	-	2,672,400	3,704,302	138
Income From Bus Hire	-	-	-	461,400	-

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
Income from Canteen	450,000	-	450,000	360,915	80
Sub-total	3,220,200		3,220,200	4,611,997	
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
<b>Total Income</b>	<b>89,440,037</b>		<b>89,440,037</b>	<b>121,628,432</b>	
<b>(6) Expenditure For Tuition</b>					
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	273,670	-
Exercise Books	1,973,592	1,973,592	-	1,341,391	67
Laboratory Equipment	2,386,023	2,386,023	-	313,970	13
Internal Exams	-	-	-	74160	-
Teaching / Learning Materials	500,000	500,000	-	139,950	26
Teachers Guide	-	-	-	19,750	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	3,553	-
Sub-total	4,859,615	4,859,615		2,166,414	
<b>(7) Expenditure For Operations</b>					
Others( Personal emol, Admn costs,EWC, & LTT&T)	11,029,960	11,029,960	-	10,426,545	94
Repairs, Maintenance & Improvements	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-

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
Electricity, Water and Conservancy	-	-	-	-	-
Medical	-	-	-	148,100	-
Bank Charges	-	-	-	588	-
CBC	-	-	-	39,411	-
Gratuity	1,760,100	-	1,760,100	-	-
SMASSE	-	-	-	-	-
<b>Sub-total</b>	12,790,060		12,790,060	10,614,641	
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms (cbc)	-	-	-	748,809	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	5,844,472	-	5,844,472	9,271,941	130
Site Inspection	-	-	-	362,000	-
Purchase of equipment	-	-	-	-	-
Sub-total	5,844,472	-	5,844,472	10,382,750	-
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Others( P/Emol Lt&t, ewc & adm costs)	23,778,148	-	23,778,148	26,486,410	126
Repairs, Maintenance and Improvements	2,373,248	-	2,373,248	5,972,575	-
Local Transport / Travelling	-	-	-	-	-
Electricity, Water and Conservancy	-	-	-	-	-
Parents Contribution other receipts	-	-	-	33,855,193	-
Administration Costs	-	-	-	-	-

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
Activity	823,958	-	823,958	2,560,600	240
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	35,750,336	-	35,750,336	38,049,916	103
Expenditure For Income Generating Activity( Farm)	2,039,288	-	2,039,288	3,680,541	140
Bus hire	-	-	-	312,711	-
Other Expenses On Investments(canteen)	150,000	-	150,000	11,530	-
Rent Expenses	47,460	-	47,460	4,400	-
Bank Charges	-	-	-	131,725	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
Sub-total	64,962,438		64,962,438	111,065,601	
<b>Totals</b>	<b>88,456,585</b>	<b>-</b>	<b>88,456,585</b>	<b>134,229,406</b>	<b>-</b>

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

## **9. Significant Accounting Policies**

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

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

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

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

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

### **2. Recognition of receipts and payments**

The *school* recognises all receipts from various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 2024.

**10. Notes To the Financial Statements**

**1 Government Grants for Tuition**

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials	2,866,495	2,849,657
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	-	-
Others (specify)*	-	-
<b>Total</b>	<b>2,866,495</b>	<b>2,849,657</b>

\*Include others as per MOE circulars

**2 Government Grants for Operations**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	-	-
Repairs And Maintenance	-	-
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	95,100	208,400
Administration Costs	-	-
Activity	479,588	416,800
Other Vote Heads (specify)*PE,EWC.LTT ADM COST	9,137,602	7,643,864
<b>Total</b>	<b>9,712,290</b>	<b>8,269,064</b>

\*Include others as per MOE circulars

**3 Government Grants for infrastructure**

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	4,178,800	4,150,000
Transition infrastructure grants	788,040	-
Grants	-	5,000,000
Economic stimulus grants	-	-
<b>Total</b>	<b>4,966,840</b>	<b>9,150,000</b>

**4 School Fund Income - Parents Contribution/Fees**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	7,623,072	-
Repairs and maintenance	2,568,026	2,454,543
Local transport / travelling	5,841,797	-
Electricity and water	3,870,843	-
Others (PE, ltt, EWC. Adm costs)	-	22,644,146
Administration costs	8,885,377	-
Activity	975,034	1,012,137
Fee on Boarding Equipment and stores	38,672,270	38,930,181
PA Levies*	12,683,973	-
Others (specify) uniform, UN form loss recoveries	3,537,454	23,114,821
<b>Total</b>	<b>84,657,816</b>	<b>88,155,828</b>

\*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

**5 Miscellaneous Incomes**

Description	2023-2024	2022-2023
	Kshs	Kshs
Rent Income	85,350	95,950
Income From Farming Activities	3,703,044	3,062,288
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	461,400	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	833	375
Dividends Income	425	507
Loans/Borrowings*	-	-
Other Income (specify)*Canteen	360,915	473,025
<b>Total</b>	<b>4,611,967</b>	<b>3,632,146</b>

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

\*Ensure proper authorization from MOE before obtaining loans/borrowings.

\*Indicate what other income relates to including income arising from writebacks if any.

**6 Tuition**

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books	1,402,591	1,383,120
Textbooks	-	-
Reference materials	273,670	206,110
Laboratory Equipment	313,970	852,665
Teaching / Learning Materials	154,200	431,225
Exams And Assessment	-	-
Teachers Guide	19,720	-
Bank Charges	3,553	2,460
Others (specify)	-	-
<b>Total</b>	<b>2,167,704</b>	<b>2,875,610</b>

**7 Operations**

Description	2023-2024	2022-2024
	Kshs	Kshs
Others (PE, EWC, Adm cost, Ltt.)	10,426,545	9,470,265
Service Gratuity	-	-
Administration Cost	-	-
Repairs And Maintenance & Improvements	-	-
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	148,100	-
Activity Expenses	-	-
Tax( CBC)	39,411	-
Others (specify) Bank Charges	585	-
<b>Total</b>	<b>10,614,641</b>	<b>9,470,263</b>

**8 Infrastructure**

Description	2023-2024	202-2023
	Kshs	Kshs
Construction of classrooms (cbc)	748,809	-
Construction of laboratory	-	-
Construction of dormitory	9,633,941	4,258,270
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
<b>Total</b>	<b>10,382,750</b>	<b>4,258,270</b>

**9 Boarding And School Fund**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	7,670,896	-
Service Gratuity	-	-
Repairs And Maintenance & Improvements	6,500,456	7,590,090
Local Transport / Travelling	5,853,892	7,050,465
Electricity And Water	1,811,991	-
Medical Expenses	-	-
Administration Costs	11,728,751	-
Activity	2,560,600	2,517,866
Bank Charges	131,725	-
Expenses On Income Generating Activities**	3,632,146	2,367,619
Fee On Boarding Equipment and Stores	42,134,221	38,930,181
Donations	20,000	-
Refundable fee	296,863	-
Uniform	3,211,223	-
PA expenses	11,347,710	-
Examination (KNEC)	-	-
Acquisition Of Assets	-	-
Other payments – Parent contribution	-	12,968,421
Others (specify) (PE, EWC. LTT,ADM COST	-	29,247,687
<b>Total</b>	<b>96,900,474</b>	<b>100,672,329</b>

(Expenses on income generating activities\*\* should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

**10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0210291341145	980,852	280,770
Operations Account	Active	1103666975	3,484,408	2,952,728
School Fund Account/Boarding	Active	0210299928316 01129057006000	310,126 1,267,015	5,642,319
Savings Account	Active	-	-	-
Parent Association Development Account	Active	-	-	-
Income Generating Activities Account	Active	502000975200 0210293514315	735,155 273,565	3,176,966 806,654
Infrastructural Account	Activr	01139057006000	2,624,091	9,474,032
<b>Total</b>			<b>9,675,212</b>	<b>22,333,469</b>

**11 Cash In Hand**

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	64,364	7,081
<b>Total</b>	<b>64,364</b>	<b>7,081</b>

**12 Short Term Investments**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**13 Accounts Receivable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	21,996,647	23,512,078.85
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	-	0
Imprest (list/schedule attached)	-	0
Rent arrears (list/schedule attached)	-	0
<b>Total</b>	<b>21,996,647</b>	<b>23,512,078.85</b>

**13 b) Ageing Analysis of Accounts Receivable**

Description	2023-2024		Insert 2022-2023	
	Kshs		Kshs	
	Current 2023-2024	% of the total	Comparative 2022-2023	% of the total
Less than 1 year	6,390,754	28	8,112,458	35
Between 1- 2 years	840,607	-	-	-
Between 2-3 years	14,765,466	72	15,399,620	65
Over 3 years	-	-	-	-
<b>Total (should tie to note 13 a)</b>	<b>21,996,647</b>	<b>100</b>	<b>23,512,078</b>	<b>100</b>

**14 Accounts Payable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	5,266,755	6,252,378
Prepaid Fees	860,820	1,406,566
Bursary	652,497	-
Unpaid salaries and statutory deductions	-	-
Students Clubs	16,600	4,000
Other payables (specify)	-	-
<b>Total</b>	<b>6,796,672</b>	<b>7,662,944</b>

**14a. Ageing Analysis of Accounts Payable**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current 2023-2024	% of the total	Comparative 2022-2023	% of the total
Less than 1 year	5,266,755	100	6,252,378	100
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (should tie to note 14)</b>	<b>5,266,755</b>	<b>100</b>	<b>6,252,378</b>	<b>100</b>

**15 Fund Balance Brought Forward**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Bank Balances	22,333,469		27,544,581	
Cash Balances	7,081		15,749	
Short Term Investments	-		-	
Receivables	23,512,079		22,313,305	
Payables	(7,662,944)		(6,464,170)	
<b>Total</b>	<b>38,189,685</b>		<b>43,409,465</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	2023-2024	Insert Comparative 2022-2023
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**17 Biological assets**

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle	12	1,340,000	960,000
Goats	17	50,000	42,000
Trees	300	5,596,000	6,312,000
Tea Plantation	4000	3,257,000	2,875,000
Poultry	23	8,750	36,800
Pigs	78	1,408,800	1,248,000
Rabbits	13	21,000	24,000
Fish	3500	275,000	740,000
Bananas	200	350,000	450,000
<b>Total</b>		<b>12,306,550</b>	<b>12,687,800</b>

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

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**Other important disclosure notes**

**19 Stock/ Inventory**

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	1,596,000	1,890,259
Lab consumables	400000	357000
Farm produce	750,000	370,000
Medication	33,500	25,000
Construction Materials	75,700	40,000
Total	2,855,200	2,682,259

*(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)*

**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.

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

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Sign and Date  
Principal

11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023-2024	Outstanding Balance Comparative FY	Comments
	A	b	C	d-a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
	<b>134,920.00</b>					
1. Chuka Ritho Stores Ltd				134920		
2. Mwendantu store ltd				229,440		
3. Muthui Ngara	86,020			86,020		
4. Benson Mburia Transporters Ltd				12500		
<b>Sub-Total</b>				<b>527,880</b>		
<b>Supply Of Goods</b>						
5. School farm				518,765		
6. Giten Ventures	272560			272,560		
7. Oligia General suppliers				250,930		
8. Linem Venture ltd				61,200		
9. Descana Machines				20,000		
10. Markimu Enterprises				111,450		
11. Lucyline Kaari				16950		

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023-2024	Outstanding Balance Comparative FY	Comments
12. Sari Care Pharmacy				54,600		
13. Bethany Farm				105,000		
14. Mwendantu Butchery				906,830		
15. Mattex Computer Consultancy				90,980		
16. Reiner Distributors				131,990		
17. Mafuko Industries				1,026,200		
18. Urban General Suppliers				58,080		
19. Kabuboni FCS Ltd				165,600		
20. Justin Electricals				62,150		
21. Haken Tailors & Design				6,000		
22. Lactonel Enterprises				95,000		
23. Lamacom Enterprises				66,150		
24. Dodalia General Stores				340,420		
25. Lalji Ramji Filling Station Ltd				60,000		
26. Davco Stationers & school Supplies				14,250		
27. Siariaka Investment				180,000		
28. Ramson Kithinji Njeru				98,800		
29. Shammah Tents/Textiles				15,000		
<b>Sub-Total</b>						

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023-2024	Outstanding Balance Comparative FY	Comments
<b>Supply Of Services</b>						
30. Kathwana Real Estate Developers				10,000		
31. Kitkam Interiors & Designers				165,600		
<b>Sub-Total</b>				<b>4,738,875</b>		
<b>Grand Total</b>				<b>5,266,755</b>		

**Annex 2 – Summary of Fixed Assets Register**

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land	30,000,000			30,000,000
Buildings And Structures	108,700,000	21,600,000		87,100,000
Motor Vehicles	6,075,000			6,075,000
Office Equipment, Furniture and Fittings	1,200,000			1200000
Textbooks	1,120,000			1120000
ICT Equipment	70,000			70000
Tools And Apparatus	1,350,000			1350000
Other Machinery and Equipment	755,000			755000
Heritage And Cultural Assets	70,000			70000
Intangible Assets- Soft Ware	150,000			150000
<b>Total</b>	<b>149,490,000</b>			<b>127,885,000</b>

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*(The school should ensure that a detailed fixed assets register is maintained).*