

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

REPORT

NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 24 JUN 2025

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Tuesday

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Mrs. Anne Shibuko

**THE AUDITOR-GENERAL**

**ON**

**KITUMA SECONDARY SCHOOL**

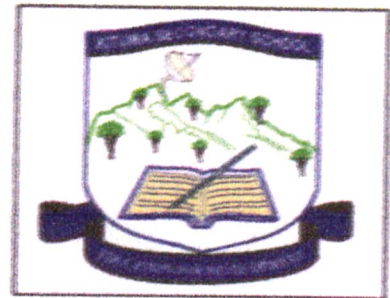
**FOR THE YEAR ENDED  
30 JUNE, 2024**

**TAITA TAVETA COUNTY**

*Revised 30<sup>th</sup> June 2024.*



OFFICE OF THE AUDITOR - GENERAL  
P.O. Box 95202, MOMBASA  
23 FEB 2025  
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**KITUMA SECONDARY 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**

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

**(a) Background information**

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

The school was registered in February/2016 under registration number 06/S/0030/0155 and is currently categorized as a Extra County (*National, Extra County, County and Sub County*) public school established, owned or operated by the Government.

The school is a boarding school and had **134** number of students as at 30<sup>th</sup> June 2024U. It has 1 stream and 12 teachers of which 4 teachers are employed by the School Board of Management.

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

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Robert Ndambo	Chairman	29th Sept 2022
2	Mr. Enoch Mganga	Secretary - Principal	29th Sept 2022
3	Md. Joyce Mwashighadi	Member	29th Sept 2022
4	Md. Cecilia Mwajuma	P.A Chair	29th Sept 2022
5	Mr. Stancelous Mjomba	Member	29th Sept 2022
6	Mr. Liverson Mghendi	Member – Rep CEB	29th Sept 2022
7	Mr. Thaddeus Musembi	Member Rep Teachers	29th Sept 2022
8	Mr. Dominic Mwandau	Sponsor	29th Sept 2022
9	Md. Mary Mwarigha	Sponsor	29th Sept 2022
10	Mr. Peter Mwambingu	Sponsor	29th Sept 2022
11	Md. Terezi Wakesho	Member - Community	29th Sept 2022
12	Md. Catherine Machila	Member - Community	29th Sept 2022
13	Mr. Sebastian Mwakumbaku	Member Special Needs	29th Sept 2022
14	Peter Mwasaru	Rep Students	20th Jan 2024

**The functions of the School Board of Management are to:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 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	1. Mr. Robert Ndambo 2. Mr. Enoch Mganga 3. Mrs Hilda Mkandoe 4. Mr Dominic Mwandau 5. Md. Mary Mwarigha	Chair person Secretary P.A Chair Vice Chair Member	1 out of 3 ----- -----
2	Finance and Audit Committee	1. Mr. Robert Ndambo 2. Mr. Enoch Mganga 3. Mrs Hilda Mkandoe 4. Mr Dominic Mwandau 5. Md. Mary Mwarigha	Chair person Secretary P.A Chair Vice Chair Member	2 out of 3
3	Finance, procurement and general purposes Committee			
4	Academic Standards and Quality Committee	1. Mr. Sebastian Mwakumbaku 2. Mr. Enoch Mganga 3. Mr. Thaddeus Musembi 4. Mr. Stanselous Njule 5. Ms. Catherine Machila	Chair person  Secretary Member Member Member	N/A

<b>Ref.</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
5	School Infrastructure Committee	1. Mr. Liverson Mgendi. 2. Mr. Enoch Mganga 3. Mr Venance Wachenje 4. Mr. Robert Ndambo 5. Ms. Catherine Machila 6. Education Office	Chair person Member Secretary Member Member Sub-County Director	N/A
6	Discipline, Ethics and Integrity Committee	1. Mr. Sebastian Mwakumbaku 2. Ms. Hilda Mkandoe 3. Ms. Joyce Mwashighadi 4. Ms. Catherine Machila	Chair person Secretary Member Member	N/A

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June, 2024 the School's day-to-day management was under the following persons:

Ref.	Designation	Name	Identification
1	Principal	MR. ENOCK MGANGA	TSC No. 348616
2	Deputy Principal	MR. VENANCE WACHENJE	TSC No. 358230
3	School Bursar	MD. JULIANA .N. CHARITY	35914984
4	Other (specify)		

**(e) Schools contacts**

Post Office Box: 24-80311, NG'AMBWA  
Telephone: 0708357789  
E-mail: kitumacentre@gmail.com  
Website:  
Facebook:  
Twitter:

**(f) School Bankers**

Provide details of the school bankers.

Name of Bank: EQUITY BANK  
Branch: VOI  
Account Number: 0790260732103 MAIN ACCOUNT

Name of Bank: EQUITY BANK  
Branch: VOI  
Account Number: 0790260732050 TUITION ACCOUNT

Name of Bank: EQUITY BANK  
Branch: VOI  
Account Number: 0790260731991 OPERATION ACCOUNT

Name of Bank: EQUITY BANK  
Branch: VOI  
Account Number: 0790294504132 INFRASTRUCTURE ACCOUNT

**(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:

	2023-2024	2022-2023	2021-2022
<b>b) Teacher Student ratio:</b>			
The teacher to student ratio	1:24	1:24	1:24
Number of teachers recruited and posted to the school within the year	0	0	0
Number of teachers that were transferred/ retired during the period	1	0	0
Number of teachers employed by TSC	7	7	7
Number of teachers employed by BOM.	4	3	3
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
<b>SUBJECTS</b>	<b>NO.of Teachers</b>		
MATHS	2	0	1
ENGLISH	1	1	1
KISWAHILI	2	2	2
CHEMISTRY	1	0	0
PHYSICS	1	0	0
BIOLOGY	1	1	1
HISTORY	0	0	0
CRE	1	2	1
AGRICULTURE	1	1	1
BUSINESS STUDIES	1	1	1
GEOGRAPHY	2	2	1
COMPUTER STUDIES	0	0	0
<b>c) Mean score KCSE:</b>			
<b>performance of the school for each over the last three years</b>			
Number of students that have since transitioned to institutions of higher learning.			
Mean score	4.4324	4.977	3.6842
comment on improvement or otherwise as compared to the school's set score.	Decline	Improvement	Improvement
<b>d) Number of Candidates in the 2021 KCSE:</b>			
Number of candidates sitting for KCSE over the last three years.			
	31	36	38
<b>e) Capacity of the school:</b>			
Number of students in the school	133	165	166
Dormitories	2	2	1

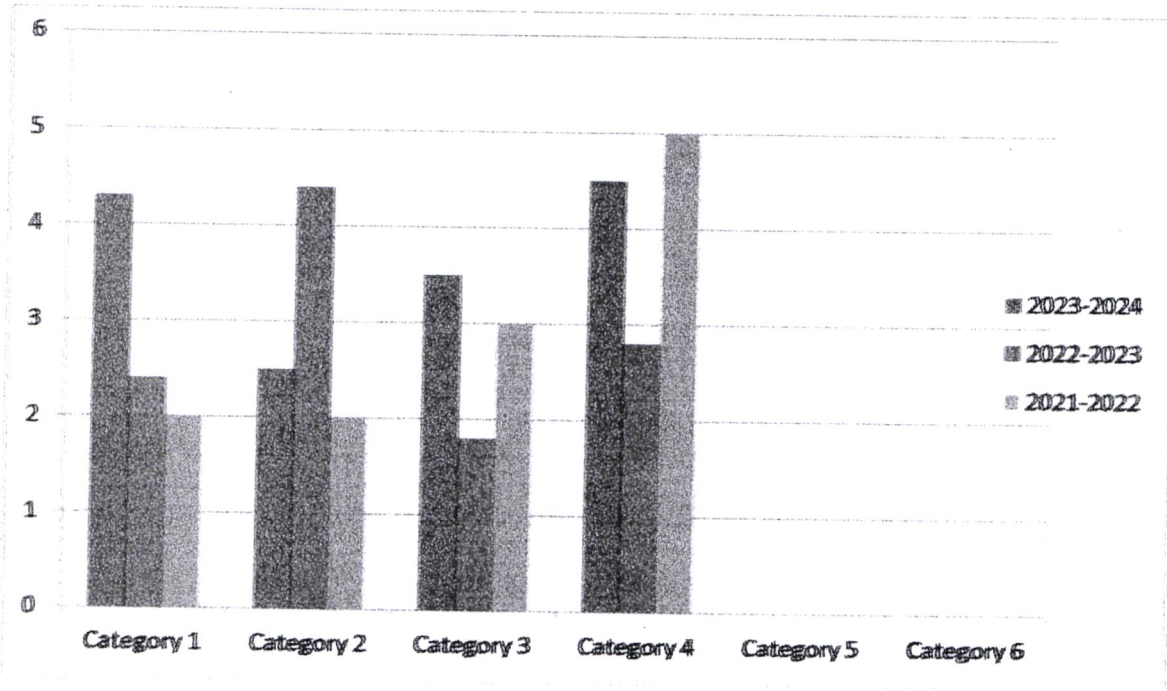
**KITUMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Dinning hall,	0	0	0
laboratories,	1	1	1
Toilets	2	2	2
Land with legal ownership	63 ACRES	63 ACRES	63 ACRES
Other amenities.			

**II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

	<b>2023-2024</b>	<b>2022-2023</b>	<b>2021-2022</b>
- Surplus/ deficit for the year and a comparison of the same for the last three years	(5,038,888.00)	(1,618,166.35)	2,512,597.20
- Capitation grants from the Ministry of Education for the last three years	2,063,353.70	2,743,742.15	4,078,466.15
- Ratio of capitation grant per student over the last three years	1:15514	1:17592	1:20281
- A three-year overview of growth of other income(s) earned by the school.	0	7,900,339.00	8,232,766.00
- A three-year overview of growth in expenditure of the school	15,561,567.75	12,262,247.50	9,798,634.95
- Movement of debtors/Receivables of the school over the last three years	5,784,434.99	4,271,534.99	2,192,821.00
- Movement of creditors /Payables of the school over the last three years	5,038,888.00	2,732,229.00	654,015.00
- Movement of cash and bank balances over the last three years	2,167,651.05	(1,296,696.23)	331,970.11



**a) 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

**B.O.M SECRETARY**  
**KITUMA SEC. SCHOOL**  
 P.O. BOX 80311, NCAMBWA  
 TEL: 0708 357 789

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**School Principal**

4. Statement of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2024, and of the school's financial position as at that date.

ROBERT NJGET

Name:

Designation: Chairman, School Board of Management

Date: 20/8/25

Sign: [Signature]

ENOC MGAAGA

Name:

Designation: School Principal & Secretary to Board of Management

Date: 20/8/2025

B.O.M SECRETARY  
KITUMA SEC. SCHOOL

Sign: [Signature]

P.O. BOX 24-80311, NG'AMBWA

TEL: 0708 357 789

Kituma CHARITY

Name:

Designation: Bursar/ Finance Officer

Date: 20/8/2025

Sign: [Signature]

# 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 KITUMA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - TAITA TAVETA COUNTY**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for intended purpose; and,
- 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.

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 Kituma Secondary School – Taita Taveta County set out on pages 1 to 23 which comprise the statement of assets

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*Report of the Auditor-General on Kituma Secondary School for the year ended 30 June, 2024 - Taita Taveta County*

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 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 the Kituma Secondary School 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 Standard (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Presentation of the Financial Statements**

The financial statements did not comply with presentation requirements of the Public Sector Accounting Standards Board reporting template. The statement of budgeted versus actual amounts does not indicate the original budget, adjustments, final budget, actual amounts and percentage of utilization as required by the reporting template.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### **2. Misstatement of Government Grants for Operations**

The statement of receipts and payments reflects a balance of Kshs.1,152,864 in respect to Government grants from operations. However, receipts in the cash book and bank statements shows a total Kshs.1,710,664 resulting in a variance of Kshs.557,800 that was not explained or reconciled.

In the circumstances, the accuracy and completeness of the financial statements as presented could not be confirmed.

#### **3. Variances Between the Statement of Receipts and Payments and the Statement of Cash Flows**

The statement of receipts and payments reflects balances of revenue and payments that differ with the statement of cash flows under similar items of receipts and payments as analyzed below:

Particulars	Statement of receipts and Payments	Statement of cash flows	Variance
	(Kshs.)	(Kshs.)	(Kshs.)
Miscellaneous incomes	67,093	0	67,093
Tuition	852,030	315,445	536,585
Operations	1,044,588	1,084,122	39,534

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### **4. Variance Between the Financial Statement Balance and Note to the Financial Statements on the Boarding and School Fund**

The statement of receipts and payments reflects boarding and School fund payments balance of Kshs.13,664,949 which differs with the amount reflected in Note 9 to the financial statements of Kshs.6,985,328 resulting in unexplained variance of Kshs.6,679,621.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### **5. Inaccuracies in Cash and Cash Equivalents Balances**

The statement of cash flows reflects cash and cash equivalents at end of the financial year of Kshs.2,167,651. The balance includes cash and cash equivalents at beginning of the financial year of Kshs.2,300,134 which differs with closing cash and cash equivalents for year ending 30 June, 2023 of Kshs.3,397,701 by an amount of Kshs.1,097,567. The cash and cash equivalents at beginning of the financial year of Kshs.2,300,134 also differs with the comparative balance for cash and cash equivalents reflected in the statement of assets and liabilities of negative Kshs.1,286,696 by an amount of Kshs.3,586,830.

Further, monthly bank reconciliations were not completed for each bank account held by the School as required by regulation 90 of Public Finance Management (National Government) regulations, 2015. The cash book was maintained in pencil rather than a pen with permanent ink and no certificates of bank balances were provided for the four accounts held. A certificate of cash in hand was not provided to support the Kshs.1,433,287 cash balance presented in the statement of assets and liabilities under financial assets.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.2,167,651 could not be confirmed.

## **6. Uncollected Fees Arrears**

The statement of assets and liabilities reflects accounts receivables balance of Kshs.5,784,435 as disclosed in Note 13 to the financial statements. No evidence was provided on measures put in place by the School management to recover the overdue and outstanding fees arrears. Further, the schedule provided to support the balance amounted to Kshs.1,983,403 resulting to an unexplained variance of Kshs.3,800,032.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.5,784,435 could not be confirmed.

## **7. Unsupported Accounts Payables**

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.5,038,888. However, the supporting documents including invoices, delivery notes, LPOs/LSOs and contract agreements were not provided in support of the creditors balances.

Further, Annex 1 – Analysis of pending accounts payables does not classify the pending accounts payables into either construction of buildings, supply of goods or supply of services and the details of original amount, date contracted, amount paid to date, outstanding balance and comments. Disclosures in the financial statements have not been completed as required by the Public Sector Accounting Standards Board.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.5,038,888 could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Issues**

In the audit report of the previous year, several paragraphs 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. The School Management has indicated the status of the issues as

resolved and to be reflected in the report for 2024/2025 but no evidence was provided in support that position.

### **Other Information**

The Management is responsible for the other information set out on page iii to xii which comprise of Key School Information and Management, Summary Report of Performance, and Statement of School Management's 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, I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that other information is not materially inconsistent with the financial statements.

The summary report of performance of the school at page ix under section on overview of growth of other incomes earned by the school discloses zero (0) other incomes earned by the school and is materially inconsistent with the financial statements.

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 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. Late Submission of the Financial Statements.**

The financial statements for the School were submitted for audit on 26 February, 2025 contrary to Section 68 (2) (k) of the Public Finance Management Act, 2012 which requires the accounting officer to submit the financial statements to the Auditor-General for audit within three months after the end of the financial year.

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

## **2. Failure to Transfer Infrastructure Funds from the Operation Bank Account**

Review of records provided revealed that the School received operations capitation grants amounting to Kshs.1,710,664 during the year under review, out of which an amount of Kshs.546,700 was supposed to be transferred to the infrastructure account. However, there was no evidence of the transfer in contravention of the Ministry of Education's circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds to be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

## **3. Irregular Increase of School Fees without Authorization**

The statement of receipts and payments reflects School fund income - parents' contributions of Kshs.8,392,233 which includes arrears of Kshs.470,503. Review of records at the School revealed that management increased school fees during the year under review to parents without written authority from the Cabinet Secretary. The Ministry of Education had issued fees structure of Kshs.40,535 per year but the School charged Kshs.43,000.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000 standards. 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 THE 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. Failure to Maintain a Fixed Assets Register**

Review of the records revealed that the school did not maintain fixed asset register. Therefore, the school did not have record of assets as prescribed by the relevant laws including details of the assets including land registration number, size of the land,

beds, tables and chairs with their respective estimated values, tag numbers, serial numbers and conditions of the assets.

In the circumstances, the security and accountability of the school assets could not be confirmed.

## **2. Failure to maintain Critical Policies**

Review of records revealed that the school did not maintain approved finance policy and procedures manual, human resource policy, ICT policy and disaster recovery plan, risk management policy and a staff code of conduct and ethics hand books.

In the circumstances, Management did not have means of identifying, preventing and mitigating against disasters in the event of an unforeseen systems failure.

The audit was conducted in accordance with ISSAIs 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 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 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 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 due to fraud or error and to issue an auditor's report that includes my opinion in accordance with the 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**

**05 June, 2025**

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

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	351,589.40	394,590.00
Government grants for operations	2	1,152,864.35	2,049,152.15
Government Grants for infrastructure	3	558,900.00	300,000.00
School fund income- parents' contributions	4	8,392,233.00	7,900,339.00
Miscellaneous incomes	5	67,093.00	-
<b>Total Receipts</b>		<b>10,522,679.75</b>	<b>10,644,081.15</b>
<b>Payments</b>			
Tuition	6	852,030.00	606,645.00
Operations	7	1,044,588.10	2,089,307.50
Infrastructure	8	-	1,820,080.00
Boarding and school fund	9	13,664,949.65	7,746,215.00
<b>Total Payments</b>		<b>15,561,567.75</b>	<b>12,262,247.50</b>
<b>Surplus/Deficit</b>		<b>(5,038,888.00)</b>	<b>(1,618,166.35)</b>

The school financial statements were approved on 20/02/2025 and signed by:

ROBERT NHETI

Name:

Chair BOM

Date: 20/2/25

Sign: [Signature]

ENOCH MAANGA

Name:

School Principal/ Secretary to BOM

Date: 20/2/2025

Sign: [Signature]  
 SECRETARY  
 KITUMA SEC. SCHOOL  
 P.O. BOX 24-80311, NG'AMBWA  
 TEL: 0708 357 789

JULIANA CHARITY

Name:

Bursar/ Finance Officer

Date: 20/2/2025

Sign: [Signature]

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

Description	Note	2023-2024 Kshs	2022-2023 Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	734,363.55	(1,367,207.23)
Cash balances	11	1,433,287.50	80,511.00
Short term investments	12	-	-
<b>Total cash and cash equivalent</b>		<b>2,167,651.05</b>	<b>(1,286,696.23)</b>
Account's receivables	13	5,784,434.99	4,271,534.99
<b>Total financial assets (a)</b>		<b>7,952,086.04</b>	<b>2,984,838.76</b>
<b>Financial liabilities</b>			
Accounts payables	14	5,038,888.00	2,732,229.00
<b>Total Financial Liabilities (b)</b>		<b>-</b>	<b>-</b>
<b>Net financial assets (a-b)</b>		<b>2,913,198.04</b>	<b>252,609.76</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	7,952,086.04	1,870,776.11
Surplus/deficit for the year		(5,038,888.00)	(1,618,166.35)
<b>Net Assets</b>		<b>2,913,198.04</b>	<b>252,609.76</b>

The school's financial statements were approved on 20/02/2025 and signed by:

ROBERT NGETI

Name:

Chair BOM

Date: 20/2/25

Sign: [Signature]

ENOCH MAMWANI

Name:

School Principal/ Secretary to BOM

Date: 20/2/25

Sign: [Signature]

**B.O.M SECRETARY**  
**KITUMA SEC. SCHOOL**  
**P.O. BOX 24-80311, NG'AMBWA**  
**TEL: 0708 357 789**

JULIANA CHARITY

Name:

Bursar/ Finance Officer

Date: 20/2/2025

Sign: [Signature]

**8. 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		351,589.40	394,590.00
Government grants for operations		1,152,864.35	2,049,152.15
Government grants for infrastructure		558,900.00	300,000.00
School fund income- parents contributions/ fees		6,725,923.00	7,900,339.00
Other income		-	-
<b>Total receipts</b>		<b>8,789,276.75</b>	<b>10,644,081.15</b>
<b>Payments</b>			
Cash outflows for tuition		315,445.00	606,645.00
Cash outflows for operations		1,084,122.10	2,089,307.50
Cash outflows Boarding/lunch and school fund payments		5,452,072.00	7,746,215.00
Cash outflows for infrastructure		-	1,820,080.00
<b>Total payments</b>		<b>6,851,639.10</b>	<b>12,262,247.50</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>1,937,637.65</b>	<b>(1,618,166.35)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash inflow/outflows from investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	<b>18</b>	-	-
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>1,937,637.65</b>	<b>(1,618,166.35)</b>
Cash and cash equivalent at beginning of the FY		2,300,134.00	5,015,868.06
<b>Cash and cash equivalent at end of the FY</b>		<b>2,167,651.05</b>	<b>3,397,701.71</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 20/2/2025 and signed by:

ROBERT NGETI

Name:

Chair BOM

Date: 20/2/2025

Sign: [Signature]

FNOCK MUMPAH

Name:

School Principal/ Secretary to BOM

Date: 20/2/2025

Sign: [Signature]

**SECRETARY**  
**KITUMA SEC. SCHOOL**  
**P.O. BOX 24-80311, NG'AMBWA**  
**TEL: 0708 357 789**

JULIANA CHARITY

Name:

Bursar/ Finance Officer

Date: 20/2/2025

Sign: [Signature]

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

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

Receipts/Expenses Item	Original Budget		Adjustment		Final Budget		Actual On Comparable Basis		% Of Utilization <i>e=d/c</i> %
	a Kshs	b Kshs	c Kshs	d Kshs	e Kshs	f Kshs	g Kshs		
<b>(1) Capitation Grant on Tuition</b>									
Reference Materials	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Exercise Books	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Laboratory Equipment	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Internal Exams	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Teaching / Learning Materials	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Exams And Assessment	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
<b>(2) Capitation Grant on Operations</b>									
Personnel Emoluments	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Repairs And Maintenance	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Local Transport / Travelling	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Electricity And Water	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Medical	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Administration Costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Activity	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	
Gratuity	XXX	XXX	XXX	XXX	XXX	XXX	XXX	X	

**KITUMA SECONDARY SCHOOL**

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

Receipt/Expenses Item	Original Budget		Adjustment		Final Budget		Actual On Comparable Basis		% Of Utilization	
	a.	Kshs	b.	Kshs	c=a+b	Kshs	d	Kshs	e=d/c %	Kshs
<b>3) FDSE for Infrastructure</b>										
Maintenance & Improvement MoE	XXX		XXX		XXX		XXX		X	
M&I parents' contribution	XXX		XXX		XXX		XXX		X	
Economic Stimulus Programs	XXX		XXX		XXX		XXX		X	
Transition Infrastructure Grants	XXX		XXX		XXX		XXX		X	
Administration Block	XXX		XXX		XXX		XXX		X	
<b>(4) Fees Charged on Parents</b>										
Personnel Emoluments	XXX		XXX		XXX		XXX		X	
Repairs And Maintenance	XXX		XXX		XXX		XXX		X	
Local Transport / Travelling	XXX		XXX		XXX		XXX		X	
Electricity And Water	XXX		XXX		XXX		XXX		X	
Medical	XXX		XXX		XXX		XXX		X	
Administration Costs	XXX		XXX		XXX		XXX		X	
Activity	XXX		XXX		XXX		XXX		X	
SMASSE	XXX		XXX		XXX		XXX		X	
Fee On Boarding Equipment and Stores	XXX		XXX		XXX		XXX		X	
<b>5) Miscellaneous Income</b>										
Loans / Borrowing	XXX		XXX		XXX		XXX		X	
Rent income	XXX		XXX		XXX		XXX		X	
Income From Farming Activities	XXX		XXX		XXX		XXX		X	
Insurance Compensation	XXX		XXX		XXX		XXX		X	
Income From Posho Mill	XXX		XXX		XXX		XXX		X	

Receipt/Expenses Item	Original Budget	Adjustment	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Bus Hire	xxx	xxx	xxx	xxx	x
Fee For Hire of Ground and Equipment	xxx	xxx	xxx	xxx	x
Interest Income	xxx	xxx	xxx	xxx	x
Income From Any Other Investment	xxx	xxx	xxx	xxx	x
<b>Total Income</b>					
<b>(6) Expenditure For Tuition</b>					
Textbooks	xxx	xxx	xxx	xxx	x
Reference Materials	xxx	xxx	xxx	xxx	x
Exercise Books	xxx	xxx	xxx	xxx	x
Laboratory Equipment	xxx	xxx	xxx	xxx	x
Internal Exams	xxx	xxx	xxx	xxx	x
Teaching / Learning Materials	xxx	xxx	xxx	xxx	x
Chalks	xxx	xxx	xxx	xxx	x
Exams And Assessment	xxx	xxx	xxx	xxx	x
Teachers Guides	xxx	xxx	xxx	xxx	x
Administration Costs	xxx	xxx	xxx	xxx	x
Bank Charges	xxx	xxx	xxx	xxx	x
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	xxx	xxx	xxx	xxx	x
Repairs, Maintenance & Improvements	xxx	xxx	xxx	xxx	x
Local Transport / Travelling	xxx	xxx	xxx	xxx	x

Receipt/Expenses Item	Original Budget	Adjustment	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	xxx	xxx	xxx	xxx	x
Medical	xxx	xxx	xxx	xxx	x
Administration Costs	xxx	xxx	xxx	xxx	x
Activity Expenses	xxx	xxx	xxx	xxx	x
Gratuity	xxx	xxx	xxx	xxx	x
SMASSE	xxx	xxx	xxx	xxx	x
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms	xxx	xxx	xxx	xxx	x
Construction of LAB	xxx	xxx	xxx	xxx	x
Construction of DORMS	xxx	xxx	xxx	xxx	x
Purchase of furniture	xxx	xxx	xxx	xxx	x
Purchase of equipment	xxx	xxx	xxx	xxx	x
Purchase of machinery	xxx	xxx	xxx	xxx	x
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	xxx	xxx	xxx	xxx	x
Repairs, Maintenance and Improvements	xxx	xxx	xxx	xxx	x
Local Transport / Travelling	xxx	xxx	xxx	xxx	x
Electricity, Water and Conservancy	xxx	xxx	xxx	xxx	x
Medical Expenses	xxx	xxx	xxx	xxx	x

**KITUMA SECONDARY SCHOOL**

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

Receipt/Expenses Item	Original Budget	Adjustment	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs	xxx	xxx	xxx	xxx	x
Activity	xxx	xxx	xxx	xxx	x
Gratuity	xxx	xxx	xxx	xxx	x
Lunch Programme	xxx	xxx	xxx	xxx	x
Boarding Equipment and Stores	xxx	xxx	xxx	xxx	x
Expenditure For Income Generating Activity	xxx	xxx	xxx	xxx	x
Insurance Costs	xxx	xxx	xxx	xxx	x
Other Expenses On Investments	xxx	xxx	xxx	xxx	x
Rent Expenses	xxx	xxx	xxx	xxx	x
Bank Charges	xxx	xxx	xxx	xxx	x
Loan Interest Repayment	xxx	xxx	xxx	xxx	x
Loan Principal Repayment	xxx	xxx	xxx	xxx	x
Acquisition Of Assets	xxx	xxx	xxx	xxx	x
<b>Totals</b>	<b>xxx</b>	<b>xxx</b>	<b>xxx</b>	<b>xxx</b>	<b>x</b>

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

- i. Xxxx
- ii. Xxxx

**10. Significant Accounting Policies**

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

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

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

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

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

**2. Recognition of receipts and payments**

The *school* recognises all receipts from 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.

## 11. Notes To the Financial Statements

## 1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials		-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	351589.40	394,590.00
Others (specify)*	-	-
<b>Total</b>	<b>351589.40</b>	<b>394,590.00</b>

\*Include others as per MOE circulars

## 2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments		337,910.01
Repairs And Maintenance		646,000.00
Local Transport / Travelling		69,912.17
Electricity And Water		547,646.49
Medical/Insurance	162600.00	33,200.00
Administration Costs		209,736.48
Activity	117498.62	104,987.50
Other Vote Heads (pe,ewc adm)	872765.73	49,759.50
BES		50,000.00
<b>Total</b>	<b>1152864.35</b>	<b>2,049,152.15</b>

\*Include others as per MOE circulars

## 3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	558900.00	300,000.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-

Description	2023-2024	2022-2023
	Kshs	Kshs
Other (specify)(NGCDF and County govt.		-
<b>Total</b>	<b>558900.00</b>	<b>300,000.00</b>

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

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments		427,532.00
Repairs and maintenance	206640.00	293,815.00
Local transport / travelling	23115.00	91,377.00
Electricity and water		715,120.00
Medical		6000.00
Administration costs		293,683.00
Activity	22009.00	97,636.00
Fee on Boarding Equipment and stores	6985914.00	5,110,678.00
Others	684052.00	-
Arrears	470503.00	864,498.00
<b>Total</b>	<b>8392233.00</b>	<b>7,900,339.00</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		-
Income From Farming Activities		-
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		-
Text books*		-
Other Income (specify)*	67093.00	-
<b>Total</b>	<b>67093.00</b>	<b>-</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
Exercise Books	270,135.00	-
Textbooks	-	-
Reference materials	41,160.00	-
Laboratory Equipment	77,670.00	287,460.00
Teaching / Learning Materials	773,610.00	-
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	750.00	540
Others SMASSE	-	7,350.00
<b>Total</b>	<b>852,030.00</b>	<b>606,645.00</b>

7 Operations

Description	2023-2024	2022-2023
Personel Emoluments	332,278.00	420,522.00
Service Gratuity	-	-
Administration Cost	155,000.00	470,500.00
Repairs And Maintenance & Improvements	45,590.00	156,000.00
Local Transport // Travelling	-	-
Electricity And Water	357,411.00	671,286.00
Medical	151,000.00	49,759.50
Activity Expenses	-	221,900.00
Insurance Cost	-	-
Bank charges	3,309.10	3,240.00
BES ACC	-	96,090.00
<b>Total</b>	<b>1,014,588.10</b>	<b>2,089,297.50</b>

8 Infrastructure

Description	2023-2024	2022-2023
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
RMI	-	1,816,780.00
BANK CHARGES	-	3,300.00
Total	-	1,820,080.00

9 Boarding And School Fund

Description	2023-2024	2022-2023
Personel Emoluments	771732.00	841,394.00
Service Gratuity	-	-
Repairs And Maintenance & Improvements	13500.00	65,000.00
Local Transport / Travelling	289500.00	221,940.00
Electricity And Water	537627.00	435,565.00
Medical Expenses	-	-
Administration Costs	263391.00	1,294,840.00
Lunch Programme	-	-
Bank Charges	15525.00	15,870.00
Expenses On Income Generating Activities**	-	-
Fee On Boarding Equipment and Stores	4585533.00	4,455,476.00
Rent Expenses	-	-
INFRASTRUCTURE A/C	-	142,250.00
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
OPERATIONS A/C	-	31,500.00
activity	508,520.00	242,380.00
Total	6,985,328.00	7,746,215.00

(Expenses on income generating activities should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 3. These costs should include farm maintenance, general maintenance, postal maintenance, general maintenance and costs incurred during off school hours among others).

**10 Bank Accounts**

Account Name & Currency	Status Active/Dormant	Bank Account Number	2023-2024	2022-2023
			Kshs	Kshs
Tuition Account		0790260732050	103645.56	81,488.16
Operations Account		0790260731991	532519.99	(420,976.39)
School Fund Account/Boarding		0790260732103	97220.00	433,986.00
Savings Account				
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account		0790294504132	978.00	(1,461,665.00)
<b>Total</b>			<b>734362.00</b>	<b>(1,367,207.23)</b>

**11 Cash In Hand**

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	1433287.50	80,511.00
<b>Total</b>	<b>1433287.50</b>	<b>80,511.00</b>

**12 Short Term Investments**

Description	2023-2024	2022-2023
	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	5,784,434.99	4,271,534.99
<b>Other Non-Fees Receivables</b>	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
<b>Total</b>	<b>5,784,434.99</b>	<b>4,271,534.99</b>

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

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	1,983,405.00	34%	4,271,534.99	100%
Between 1- 2 years	3,801,031.99	66%	-	%
Between 2-3 years	-	-	-	%
Over 3 years	-	-	-	%
<b>Total (should tie to note 13 a)</b>	<b>5,784,434.99</b>	<b>100</b>	<b>4,271,534.99</b>	<b>100%</b>

**14 Accounts Payable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	5,038,888.00	2,798,005.00
Prepaid Fees	-	65,776.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	-	-
<b>Total</b>	<b>5,038,888.00</b>	<b>2,732,229.00</b>

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

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	2,175,107.00	%	2,798,005.00	%
Between 1- 2 years	2,863,781.00	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total (should tie to note 14)</b>	<b>5,038,888.00</b>	<b>%</b>	<b>2,798,005.00</b>	<b>%</b>

**15 Fund Balance Brought Forward**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Bank Balances	734,363.55		(1,367,207.23)	
Cash Balances	1,433,287.50		80,511.00	
Short Term Investments	-		-	
Receivables	5,784,434.99		4,271,534.99	
Payables	(5,038,888.00)		2,732,229.00	
<b>Total</b>	<b>2,913,198.04</b>		<b>252,609.76</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	2022-2023
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
<b>Total</b>	-	-

**17 Biological assets**

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
<b>Total</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>	-	-

**Other important disclosure notes****19 Stock/ Inventory**

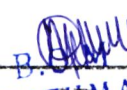
<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Food stuffs	120,000.00	120,000.00
Lab consumables	198,000.00	198,000.00
Farm produce	-	-
Medication	-	600.00
Construction Materials	-	-
Others (specify)	-	-
	<b>318,000.00</b>	<b>318,600.00</b>

*(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>
1.	Failure to transfer the infrastructure funds	Infrastructure funds should be transferred 15 days upon receipts	Resolved	To be reflected in 2024-2025
2.	Failure to maintain critical policies	Could not identify and prevent against disasters and an unforeseen system failure	Resolved	Policy documents have been acquired to be reflected in 2024-2025
3.	Lack of operational Audit Committee	This led to ineffectiveness of internal controls	Resolved	Audit Committee is functional and minutes available. To be reflected in the financial reports 2024-2025
4.	Failure to maintain Asset Register	The effectiveness of fixed assets management system could not be confirmed.	Resolved	Assets Register is in place and new acquisition of fixed assets value indicated. To be reflected in financial year 2024-2025.

  
**SECRETARY**  
 Sign and Date  
 Principal  
 P.O. BOX 24-80311, NG'AMBWA  
 TEL: 0708 357 789

**12. Annexes**

**Annex I - Analysis of Pending Accounts Payable**

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
	A	b	C	d-e-o		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
4.						
5.						
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
6.						
7.						
8.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**KITUMA SECONDARY SCHOOL**

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

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

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2024
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>				

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