

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 FEB 2025	DAY: Wed
TABLED BY:	Hon. Sameel Chepkwanga, MP
CLERK-AT THE-TABLE:	M. Mado

PARLIAMENT
OF KENYA
LIBRARY

**REPORT
OF**

THE AUDITOR-GENERAL

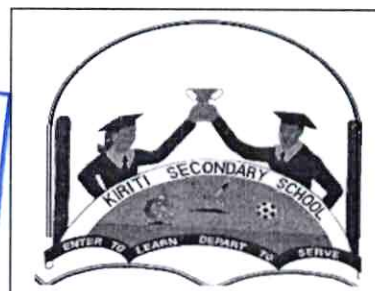
ON

KIRITI SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

NYERI COUNTY

Revised 30th June 2023.



KIRITI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

Table of Contents	Page
1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility	xv
5. Report Of The Independent Auditors (<i>To be attached</i>)	xvi
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2023 ..	1
7. Statement of Assets and Liabilities As At 30 th June 2023	2
8. Statement of Cash Flows for the Year Ended 30 th June 2023 ..	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2023	5
10. Significant Accounting Policies.....	10
11. Notes To The Financial Statements	12
12. Annexes	23

1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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

2. Key School Information and Management

[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 NYERI County, TETU Sub-County.

The school was registered in 03/2019 under registration number 19S00300136 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 1086 number of students as at 30th June 2023. It has 5 streams and 45 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	Eng. James N. Kabiru	Chairman	9.2.2022
2	Samuel Gitau Mathu	Secretary- Principal	9.2.2023
3	Duncan Kanja	Member	9.2.2022
4	Rosemary Wambui	Member	9.2.2022
5	Leah Wanjiru	Member	9.2.2022
6	Peter Karugu Mario	Member	9.2.2022
7	Simon Mugambi Kiriro	Member	9.2.2022
8	John Wahome Ndiritu	Member – Rep CEB	9.2.2022
9	Cyrus Njeru	Member Rep Teachers	9.2.2022
10	John Mambo	3 Members - Sponsor	9.2.2022
11	Alice Wairimu Ndiritu	Member - Community	9.2.2022
12	Lucy Mugure Wanyitu	MemberSpecial Needs	9.2.2022
13.	Job Kabia	Member	9.2.2022
14	Robert Macharia	Rep Students	9.2.2022
15	Lydia Nyachomba Kabatha	P.A. Chairperson	9.2.2022
16.	Prof. Partrick Kanyi	Member	9.2.2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

(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	Eng. James Kabiru Lydia Kabatha John Mambo	Chairman Member Member	4 of 6
2	Audit Committee	Alice Wairimu Ndiritu Simon K. Mugambi Peter Karugu	Chairperson Member Member	3 of 6
3	Finance, procurement and general purposes Committee	Alice Wairimu Ndiritu Simon K. Mugambi Gitau Mathu	Chairlady Member Secretary	3 of 6
4	Academic Committee	Patrick Kanyi Job Kabia Ms Muchiri	Chairman Member Co-opted	1 of 4
5	Development Committee	John Mambo Lydia Kabatha Gitau Mathu	Chairman Member Secretary	0 of 6
6	Discipline and welfare Committee	Job Kabia Cyrus Njeru Charles Maina	Chairperson Member Co-opted	0 of 6
7	Adhoc Committee (if any during the year)			N/A

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1.	Principal	Samuel Gitau Mathu	351421
2.	Deputy Principal	Charles Maina King'ori – Administration	421143
3.	Deputy Principal	Eunice Wambui Muchiri - Academics	335104
4.	School Bursar	Ezekiel Maina Kiongo	B.O.M
5.	Other (specify)		

(e) Schools contacts

Post Office Box: 12221 – NYERI
 Telephone: 0725687589
 E-mail: kiritisecondaryschool4@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

Provide details of the school bankers.

- Name of Bank: Equity Bank
 Branch: Nyeri
 Account Number: 0110296494144,
 0110261171403,
 0110261171417,
 0110279890298,
 01100163479067
- Name of Bank: K.C.B
 Branch: Nyeri
 Account Number: 1101895160
- MPESA Pay Bill No. 247247 attached to 0110296494144 bank account

(g) Independent Auditors

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

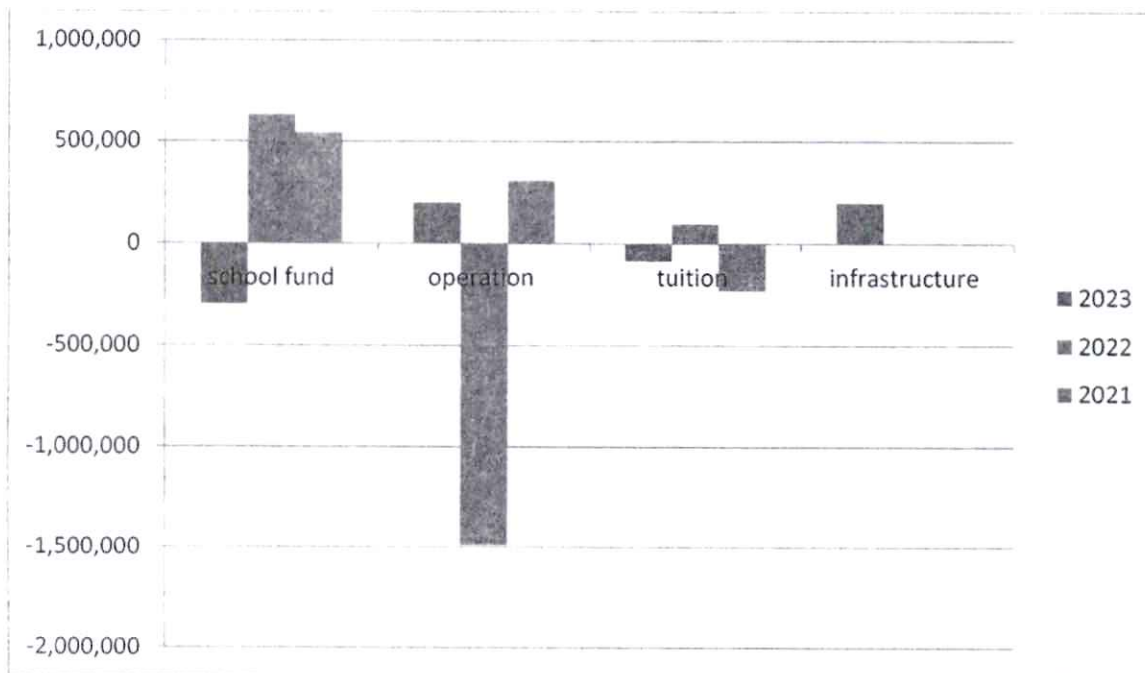
3. Summary Report of Performance of the School

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

a) Financial performance:

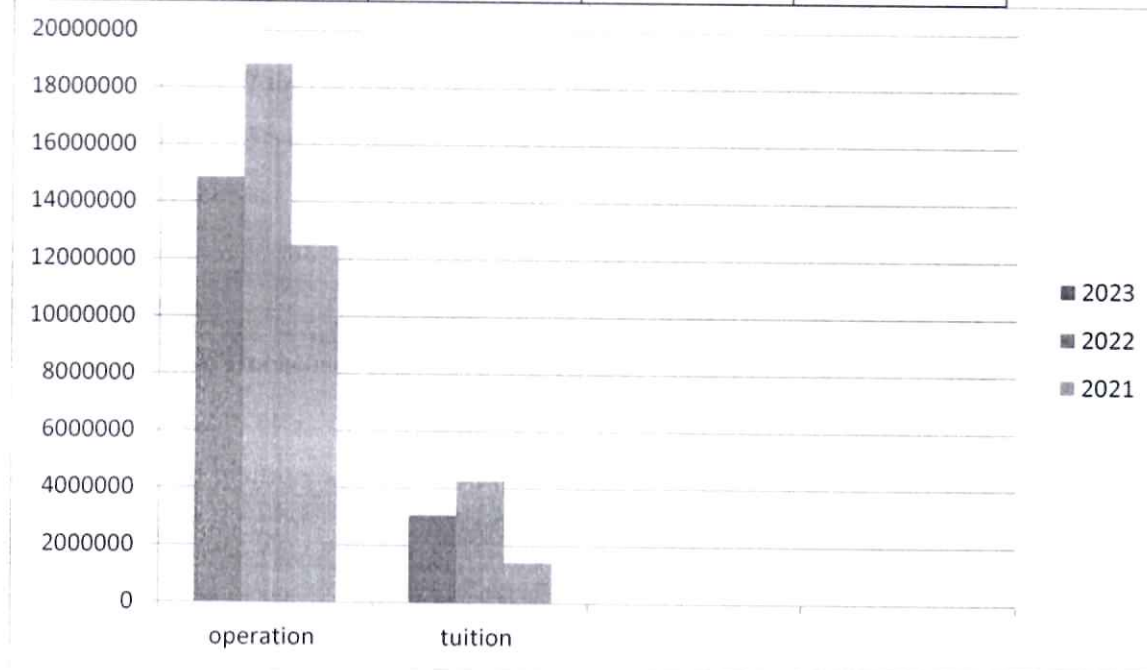
Surplus/ deficit for the year.

SNO	ACCOUNTS	2023	2022	2021
1.	School Fund Account	(298,842)	631,864	542,118
2.	Operation Account	198,015	(1,488,736)	306,357
3.	Tuition Account	(86,359)	94,582	(232,592)
4.	Infrastructure Account	198,970	-	
	TOTAL	11,784	(762,287)	615,883



- *Capitation grants from the Ministry of Education for the last three years*

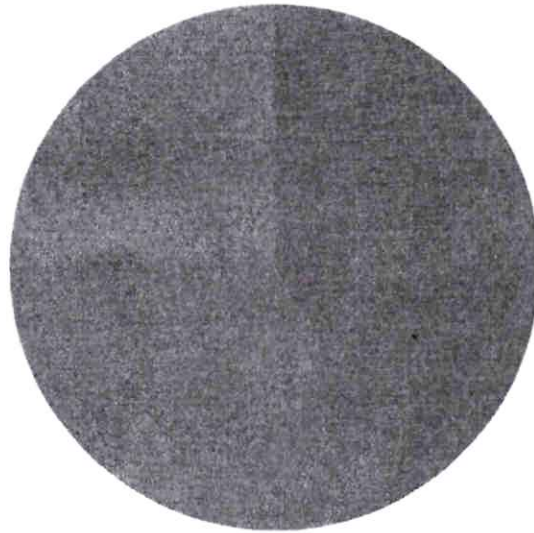
SNO	ACCOUNTS	2023	2022	2021
2.	Operation Account	14,854,610	18,828,906.10	12,492,297.65
3.	Tuition Account	3,070,866	4,266,838.00	1,434,060
4.	Total	17,925,476	23,095,744	13,926,357.65
5.	Increase/Decrease	(5,170,267)	9,169,386	(615,809.35)
	No of Students	1086	1104	1104
	Ratio Capitation per student	1:16,506	1:20,920	1:12,614.45



- *A three-year overview of growth of other income(s) earned by the school.*

OVERVIEW OF NET GROWTH OF OTHER INCOME(S) (Note 21)				
SNO	ACCOUNTS	2023	2022	2021
		KSHS	KSHS	KSHS
1	School Fund A/c	20,052,198	21,662,102	5,480,597
	Total	20,052,198	21,662,102	5,480,597

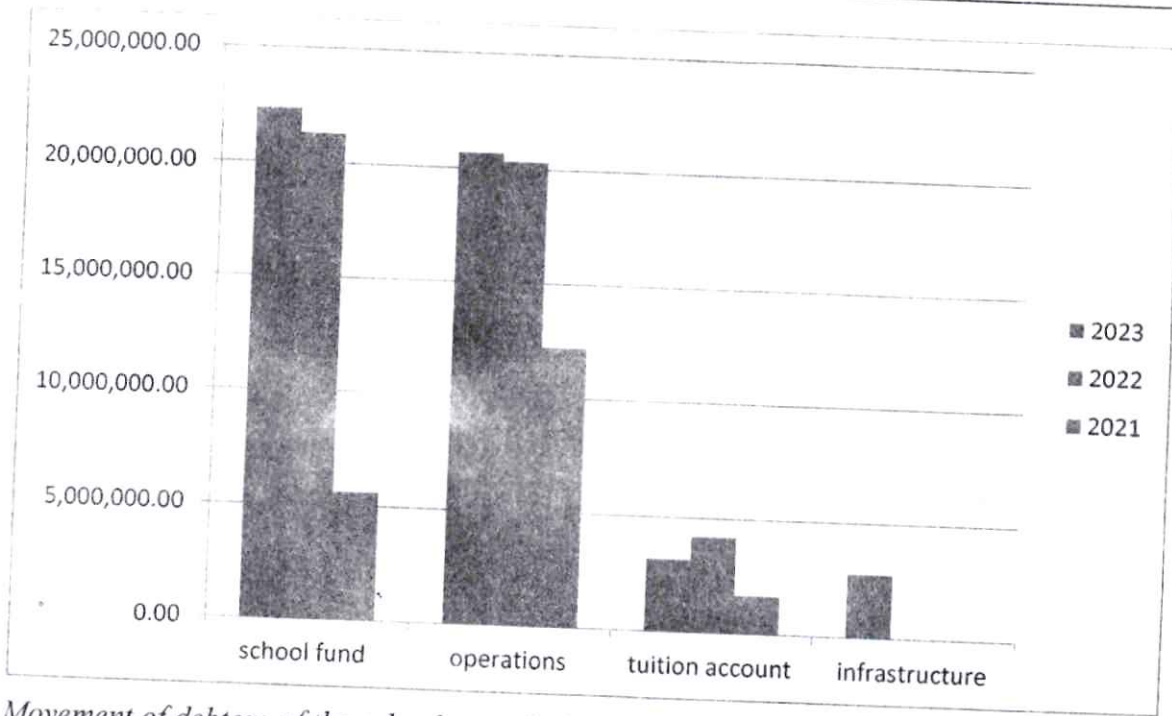
other income growth



■ 2023
■ 2022
■ 2021
■

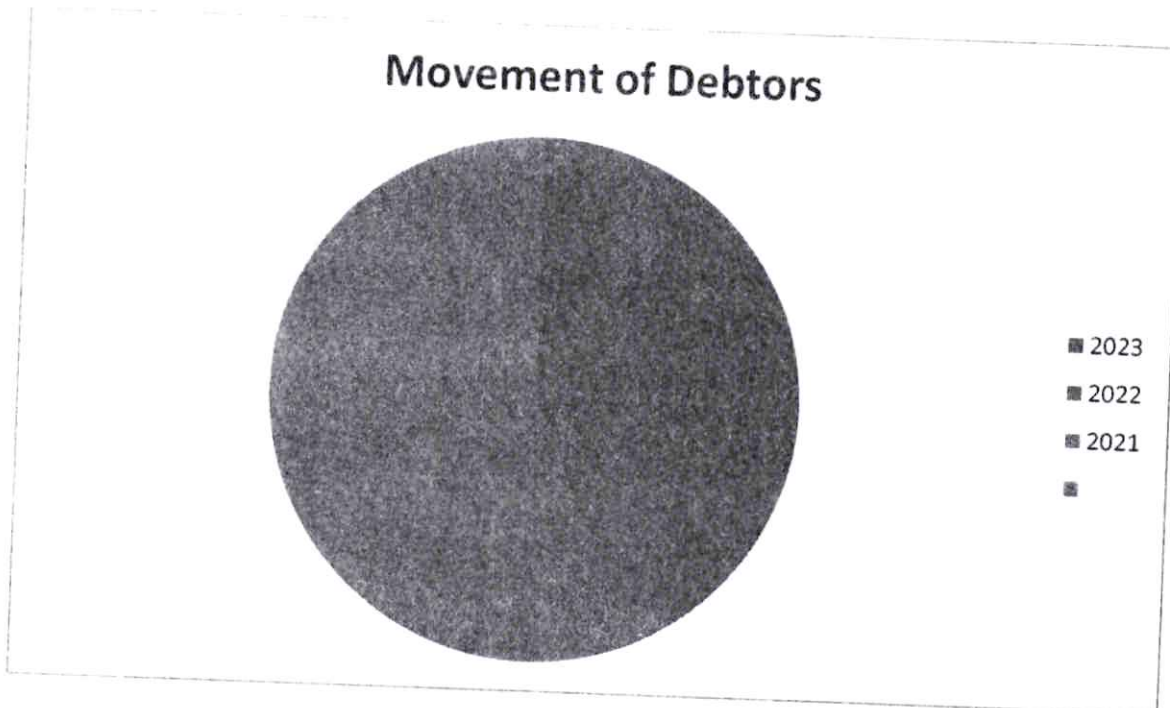
- A three-year overview of growth in expenditure of the school

SNO	ACCOUNTS	2023	2022	2021
-				Kshs
1	School Fund Account	22,370,356	21,315,487	5,603,155
2	Operations Account	20,671,791	20,317,642	12,185,914
3	Tuition Account	3,157,225.70	4,172,253	1,666,652
4	Infrastructure Account	2,801,030		
-	Total	49,000,403	45,805,382	19,455,721
	Increase/Decrease	22,650,743	26,349,660	(1,229,393)



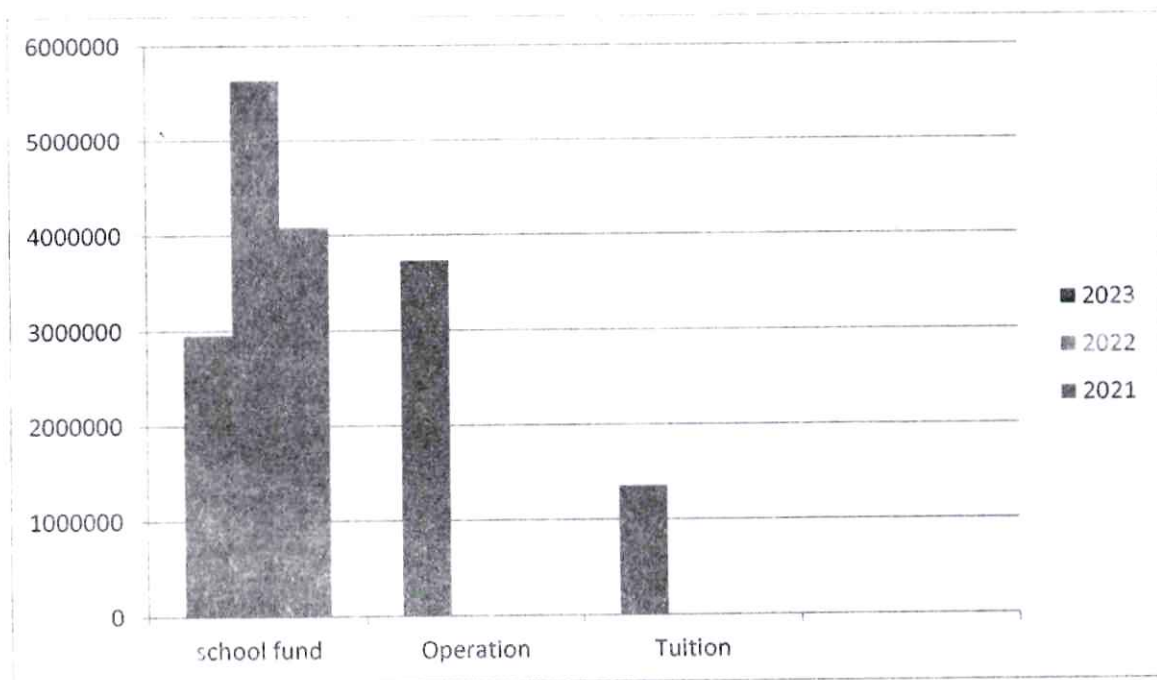
Movement of debtors of the school over the last three years

SNO	ACCOUNTS	2023	2022	2021
1	School Fund Account			
a	Debtors	5,852,382	2,428,540	2,376,100
	Total			KSHS
	Increase/Decrease	3,423,842	52,440	659,320



Movement of creditors of the school over the last three years

SNO	ACCOUNTS	2023	2022	2021
		KSHS	KSHS	KSHS
	School Fund	3,481,851	5,631,812	4,080,075
	Operation A/c	3,631,187		
	Tuition A/c	1,355,510		
	Total	8,468,548	5,631,812	4,080,075



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

b) Teacher Student ratio:

Between the month of June 2022 and June 2023, the status of the teaching staff is as follows:
There are 41 teachers posted by the Teachers Service Commission and 4 teachers recruited by the Board of Management. Although the teacher student ratio lies at 1:24. We have a shortage of 7 teachers from the given CBE. Two teachers have retired between 1st July 2022 and 30th June 2023

c) Mean score in the 2023 KCSE

YEAR	KCSE Candidates	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2022	357	4.03	34	9.52	5.43	+0.045
2021	259	3.96	25	9.65%	5.4345	-0.376
2020	252	4.361	26	10.36%	5.4345	-0.3

d) Number of Candidates in the 2023 KCSE:

YEAR	KCSE Candidates
2023	294
2022	357
2021	259

e) Capacity of the school:

No. of Student	Dining Hall	Laboratories	Toilets
1086	1	3	Boys – 26 Girls - 35

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
Kitchen	Infrastructure	Complete	969,620	400,000	
Computer Room	Infrastructure	Complete	169,900	169,900	

.....
School Principal

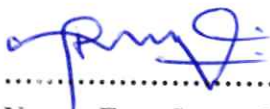
4. Statement of School Management Responsibility

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

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

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

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



.....
Name: Eng. James Kabiru

Designation: Chairman, School Board of Management

Date: 27/7/2024


.....
Name: Gitau Mathu

Designation: School Principal & Secretary to Board of Management

Date: 27/7/2024



.....
Name: Joseph K. Mbugua

Designation: Bursar/ Finance Officer

Date: 27/7/2024

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KIRITI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NYERI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kiriti Secondary School - Nyeri County set out on Pages 1 to 22 which comprise the statement of assets and liabilities

Report of the Auditor-General on Kiriti Secondary School for the year ended 30 June, 2023 - Nyeri County

as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and summary 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 Kiriti Secondary School-Nyeri County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.5,852,382 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.2,143,279 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.2,143,279 could not be confirmed.

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.3,070,867 and Kshs.20,869,806 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total number of 1,086 students while the enrolment records provided by the School indicated a total number of 1,144 students, resulting to an unexplained variance of 58 students. As a result of the variances, the school was under funded by an amount of Kshs.1,278,610.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.3,070,867 and Kshs.20,869,806 respectively could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kiriti 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year 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 as at 30 June, 2023

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.22,370,356 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs. 5,213,755 which further includes Kshs.485,600 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools

In the circumstances, value for money transferred to KESSHA amounting to Kshs.485,600 could not be confirmed.

2. Over Supply of Books

During the year 2022/2023, the Ministry of Education distributed set books to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed 4,688 set books to the School while only 3,164 set books were issued to the students, resulting to an unexplained oversupply of 1,524 books in the school store.

In the circumstances, the value for money realized on the excess textbooks could not be confirmed.

3. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 14 to the financial statements reflects payables balance of Kshs.8,468,548. However, included in the balance are trade payables balance of Kshs.5,124,815 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

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

4. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement plan. This was contrary to Paragraph 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, Management was in breach of the Ministry of Education Manual.

5. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.20,869,806 which was received from the Ministry of Education and credited in the operations bank account as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.3,416,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.3,000,000 was transferred to infrastructure account, leaving a balance of Kshs.416,000 as at 30 June,2023. This was contrary to The 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 (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

6. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.49,012,187 and Kshs.49,000,403 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Land Ownership Documents

Review of documents revealed that the School is erected on a land valued at Kshs.30,000,000 as at 30 June, 2023. However, land ownership documents were not provided for audit.

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

2. Lack of Internal Audit Function and Audit Committee

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the school did not benefit from the oversight role and advice from the audit committee and the internal audit function.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain 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 operations.

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation

to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 September, 2024

Report of the Auditor-General on Kiriti Secondary School for the year ended 30 June, 2023 - Nyeri County

6. Statement of Receipts and Payments for the Year Ended 30th June 2023

Description Of Vote Head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,070,867	4,266,838
Government grants for operations	2	20,869,806	18,828,906
Government Grants for infrastructure	3	3,000,000	
School fund income- parents' contributions	4	19,765,898	21,173,402
Miscellaneous income	5	2,305,616	773,949
Proceeds from borrowing			
Total Receipts		49,012,187	45,043,095
Payments			
Tuition	6	3,157,226	4,172,253
Operations	7	20,671,791	20,317,642
Infrastructure	8	2,801,030	
Boarding and school fund payments	9	22,370,356	21,315,487
Total Payments		49,000,403	45,805,382
Surplus/Deficit		11,784	(762,287)

The school financial statements were approved on 18/9/2023 2023 and signed by:



Name: Eng. James Kabiru

Chair BOM

Date: 27/7/2024



Name: Gitau Mathu
School Principal/ Secretary to
BOM

Date: 27/7/2024



Name: Joseph K. Mbugua

Bursar/ Finance Officer


Date: 27/7/2024

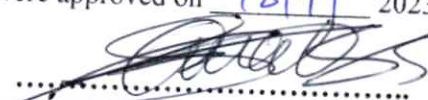
(Comparative FY refers to the financial year preceding the current financial year.)


7. **Statement of Assets and Liabilities as At 30th June 2023**

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,062,785	1,058,593
Cash balances	11	7,604.00	12
Short term investments	12		-
Total cash and cash equivalent		<u>1,070,389</u>	<u>1,058,605</u>
Accounts receivables	13	5,852,382	2,428,540
Total financial assets		6,922,771	3,487,145
Financial liabilities			
Accounts payables	14	(8,468,548)	(5,631,812)
Net financial assets		(1,545,777)	(2,144,667)
Represented by			
Accumulated fund b/fwd	15	(2,144,667)	116,916
Surplus/deficit for the year		11,784	(762,286)
Add increase in receivables		3,423,842	52,440
Less increase in payables		(2,836,736)	(1,551,737)
Net financial position		(1,545,777)	(2,144,667)

The school's financial statements were approved on 18/7/2023 and signed by:


 Name: Eng. James Kabiru


 Name: Gitau Mathu
 School Principal/ Secretary to
 BOM


 Name: Joseph K. Mbugua

Chair BOM
 Date: 27/7/2024

Date: 27/7/2024

Bursar/ Finance Officer
 Date: 27/7/2024

(Comparative FY refers to the financial year preceding the current financial year.)

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		3,070,866	4,266,838
Government grants for operations		20,869,806	18,828,906
Government grants for infrastructure		3,000,000	
School fund income- parents contributions/ fees		19,765,898	21,173,402
School Fund income Other receipts.		2,035,616	773,949
Total receipts		49,012,187	45,043,095
Payments			
Cash outflows for tuition		3,157,226	4,172,253
Cash outflows for operations		20,671,791	20,317,642
Cash outflows for Infrastructure		2,801,030	
Cash outflows Boarding/lunch and school fund payments		22,370,356	21,315,487
Total payments		49,000,403	45,805,382
Net cash inflow/outflow from operating activities		11,784	(762,286)
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		11,784	(762,286)
Cash and cash equivalent at beginning of the FY		1,058,605	1,820,891
Cash and cash equivalent at end of the FY		1,070,389	1,058,605

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

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

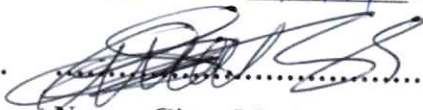
The school's financial statements were approved on 18/9/ 2023 and signed by:



Name: Eng. James Kabiru

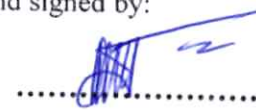
Chair BOM

Date:



Name: Gitau Mathu
School Principal/ Secretary to
BOM

Date:



Name: Joseph K. Mbugua

Bursar/ Finance Officer

Date: 27/9/2024

(Comparative FY refers to the financial year preceding the current financial year.)

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Text Books					
Reference Materials	100,776	100,000	200,776	205,394	102%
Exercise Books	889,542		889,542	925,891	104%
Laboratory Equipment	359,499	400,000	759,499	755,374	99%
Internal Exams	133,722	100,000	233,722	250,541	107%
Teaching / Learning Materials	269,382	600,000	869,382	844,520	97%
Teachers Guide	76,500		76,500		0%
Chalk	44,000	50,000	94,000	89,147	94%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	6,830,093		6,830,093	2,230,359	33%
Repairs And Maintenance	775,200	1,500,000	2,275,200	2,207,722	97%
Local Transport / Travelling	775,200	100,000	875,200	965,183	110%
Electricity And Water	1,452,500		1,452,500	865,185	60%
Infrastructure				3,416,000	
Medical	269,382		269,382		0%
Administration Costs	775,200	1,500,000	2,275,200	2,230,358	98%
Insurance	96,060		96,060	100,000	104%

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Activity	1,492,100		1,492,100	1,492,100	60%
Other Vote heads				1,941,605	
3) FDSE for infrastructure					
Maintenance & Improvement MoE				1,000,000	
M&I parents' contribution				2,000,000	
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments					
Repairs And Maintenance					
Local Transport / Travelling					
Electricity And Water					
Medical					
Administration Costs					
Activity					
SMASSE					
Lunch	14,300,000	500,000	14,800,000	15,627,910	104%
5) Miscellaneous Income					
Rent income					

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Income From Farming Activities					
Insurance Compensation					
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	28,639,761	0	28,639,761	28,639,761	0%
(6) Expenditure For Tuition					
Textbooks					
Reference Materials	453,046		453,046	90,000	20%
Exercise Books	1,605,400		1,605,400	980,300	61%
Laboratory Equipment	1,114,458		1,114,458	490,000	44%
Internal Exams	1,673,500		1,673,500.00	230,000	14%
Teaching / Learning Materials	198,150	650,000	848,150	780,706	92%
Chalks			360.00	(360)	
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					

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
(7) Expenditure For Operations					
Personnel Emoluments	5,247,436		5,247,436	4,808,125	92%
Repairs, Maintenance & Improvements	1,575,900		1,575,900	1,506,921	96%
Local Transport / Travelling	1,647,000		1,647,000	1,530,954	93%
Electricity, Water and Conservancy	1,060,000		1,060,000	413,564	39%
Infrastructure				3000,000	-
Administration Costs	1,736,050	4,000,000	5,736,050	5,738,586	100%
Activity Expenses	1,864,740		1,864,740	1,421,325	76%
Insurance cost	548,383		548,383	30,000	5%
SMASSE					
(8) Expenditure For infrastructure					
Repairs and renovations					
Construction of LAB				2,801,030	
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments					

Annual Report and Financial Statements For the year ended 30th June 2023

Repairs, Maintenance and Improvements					
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical Expenses					
Administration Costs					
Activity					
Gratuity					
Lunch Programme	14,507,025		14,507,025	12,417,335	86%
Boarding Equipment and Stores					
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Rent Expenses					
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	33,231,088		33,231,088	33,231,088	0%

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2023/2023	
	Kshs	
School fund account		100,000
Exercise Books	925,891	1,665,451
Laboratory Equipment	755,374	814,517
Internal Exams	250,542	376,983
Teaching / Learning Materials	844,520	605,462
Chalks	89,147	30,916
Transfer from operation	-	620,000
Reference books	205,394	153,509
Total	3,070,866	4,266,838

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Personnel Emoluments	2,230,359		3,500,398	
Repairs And Maintenance	2,207,722		866,762	
Local Transport / Travelling	965,183		1,091,790	
Electricity And Water	865,185		1,091,790	
Infrastructure	3,416,000		5,519,500	
Salary Advance	56,441		132,244	
School Fund Account	5,413,755		2,259,261	
Tuition	545,000		-	
Administration Costs	2,230,358		3,500,398	
Insurance	100,000			
Activity	898,197		866,762	
Other Vote Heads (specify)*	1,941,605			
Total	20,869,806		18,828,906	

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2022/2023		2021/2022	
	Kshs		Kshs	

Description	2022/2023	
	Kshs	
Maintenance & Improvement	2,000,000	-
Transition infrastructure grants	1,000,000	-
Administration Block		
Economic stimulus grants		
Operation Account		
Teaching/learning materials		
Other (specify) (NGCDF and County govt.		
Total	3,000,000	-

4 School Fund Income -Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Lunch	15,627,910	19,912,728
Fees arrears	95,920	815,319
Prepayment	1,011,568	445,355
Bursary	3,030,500	
Electricity and water		
Medical		
Administration costs		
Activity		
Fee on Boarding Equipment and stores		
PA Levies*		
Others (specify)		
Total	19,765,898	21,173,402

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

5 Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent income	106,900	164,300
Income from farming activities-	100,000	323,000
Damages	12,400	1,400
Bus hire	42,000	
Operation account	2,019,316	285,249
Income from grants and donations* - Bursary	25,000	

Total	2,305,616	773,949

(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 write backs if any.*

Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	980,300	2,218,180
Textbooks	40,740	141,500
Reference materials	90,000	-
Laboratory Equipment	490,000	1,121,745
Teaching / Learning Materials	780,706	173,100
Exams And Assessment	230,000	517,728
Teachers Guides	-	-
Bank Charges	360	-
<i>Operations</i>	545,120	-
Total	3,157,226	4,172,253

7 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	4,808,125	4,286,060
School Fund	2,219,316	285,249
Administration Cost	5,738,586	5,947,771
Repairs And Maintenance & Improvements	1,506,921	1,786,115
Local Transport / Travelling	1,530,954	1,423,848
Electricity And Water	413,564	986,390
Infrastructure	3,000,000	4,280,260
Activity Expenses	1,421,325	718,949
Insurance Cost	30,000	-
Tuition account	-	520,000
Salary Advance	3,000.00	83,000
Total	20,671,791	20,317,642

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Renovation of Kitchen	1,840,030	-
Renovation of laboratory	961,000	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
Total	2,801,030	-

9 Boarding and School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Bank Charges		
Expenses On Income Generating Activities**		
Prepayments		2,000
Bursary paid	3,053,562	-
Operation account	5,213,755	2,253,161
Creditor paid	1,384,930	-
Lunch Programme	12,417,335	18,806,674
Bank Charges	3,120	-
Expenses on Incoming Generating Activities	186,790	153,652
Imprest	110,863	-
General Journal		
Tuition		100,000
Others (specify)		
Total	22,370,356	21,315,487

(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).

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name/ Currency	Status	Bank Account Number	2022/2023	2021/2022
			Kshs	Kshs
Tuition Account			8,329	94,688
Operations Account			233,850	35,835
School Fund Account/Boarding			430,941	737,375
Savings Account				-
Parent Association Development Account				-
Income Generating Activities Account				-
Infrastructural Account			389,665	190,695
Total			1,062,785	1,058,593

11 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	7,604	12
Total	7,604	12

12 Short Term Investments

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	5,852,382	2,239,199
Other Non-Fees Receivables		132,400
Salary Advances (list/schedule attached)	-	56,941
Imprest (list/schedule attached)	-	-
Rent arrears(list/schedule attached)	-	-
Total	5,852,382	2,428,540

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		Insert Comparative FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,709,103	64%	1,057,162	47%
Between 1- 2 years	961,242	16%	-	%
Between 2-3 years				
Over 3 years	1,182,037	20%	1,182,037	53%
Total (should tie to note 13 a)	5,852,382	100%	2,239,199	100%

14 Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	7,939,018	5,124,815
Prepaid Fees	529,530	506,997
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	8,468,548	5,631,812

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	4,194,260	53%		%
Between 1- 2 years	3,744,750	47%	5,124,815	100%
Between 2-3 years		%		%
Over 3 years		%		%
Total (should tie to note 14)	7,939,018	100%	5,124,815	%

15 Fund Balance Brought Forward

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Bank Balances		1,058,593		1,820,675
Cash Balances		12		217
Short Term Investments		-		-
Receivables		2,428,540		2,376,100
Payables		(5,631,812)		(4,080,075)
Total		(2,144,667)		116,916

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle	9	450,000	400,000
Goats		-	-
Trees	6000	1,200,000	1,100,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		1,650,000	1,500,000

18 Borrowings

Description	Kshs	
	2022/2023	2021/2022
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

Other important disclosure notes

19 Stock/ Inventory

Description	2022/2023	2021/2022
	Kshs	Kshs
Food stuffs	190,000	-
Lab consumables	125,000	-
Farm produce	5,000	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	320,000	-

(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.

Issue No.	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	Amount (If applicable) with a provision made to be resolved



Sign and Date
Principal

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Construction Of Buildings						
1.						
2.						
Sub-Total						
Supply Of Goods						
3. Tassel Gen. Supplies	103,000					
4. Zytech Agencies	45,740					
5. Dajohn enterprises	86,750					
6. New Maridadi supplies	1,056,000					
7. Double beam agencies	68,550					
8. 2NK Sacco	133,105					
9. New Maridadi supplies	440,760					
10. Njema Gen merchant	261,000					
11. Wical international	29,430					
12. Kagunduini furniture	52,500					

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. Sim hardware	217,865					
14. Zeroland ltd	59,790					
15. Cypress hill solution	25,000					
16. Chakiel investment	340,000					
17. The copy cat	34,200					
18. Khinjji Devshi Shar	414,576					
19. Faron pro agencies	204,000					
20. Anthony Wachira	90,760					
21. Wiltine enterprises	569,620					
22. Lawmar enterprises	138,000					
23. Gawaki enterprises	412,300					
24. Anavest enterprises	302,800					
25. Iconsaf enterprises	309,930					
26. Joshua Wang'ombe	130,550					
27. Sheffield ltd	227,261					
28. Neclaf enterprises	45,500					
29. Bosarika farm	43,780					
30. Jowaly enterprises	1,200					
31. Jane Nderitu	388,000					
Sub-Total	6,231,967					

24

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
Supply Of Services						
32. Laikipia Medlab services	64,020					
33. Geminia insurance	28,101					
34. Airtel broad band	25,500					
35. Texas Computer Services	176,200					
36. Harmonies performing arts	140,000					
37. SCHACCS	32,200					
38. Patech solution & computer services	26,500					
39. Gypsy Gen enterprises	25,000					
40. George Omondi	36,850					
41. Felix signs	61,680					
42. L.T.T. Refund	978,000					
43. Cooks overtime & weekends	29,000					
44. Prize giving awards-KCSE 2022	84,000					
Sub-Total	1,707,051					
Grand Total	7,939,018					

Annex 2 – Summary of Fixed Assets Register

KIRITI SECONDARY SCHOOL

FIXED ASSET REGISTER

S/N	ASSET NAME	ASSET MODEL	ASSET SERIAL NO	DATE OF PURCH	PURCHASE PRICE	NO.	ASSET LOCATION	CONDITION
	COPY PRINTER	RISO	42343089	2018	250000	1	EXAM ROOM	GOOD
	COMPUTER	HP	3CQ1112BF1	2013	25000	1	ACCOUNTS CLERK	GOOD
	COMPUTER	HP	VNF3K7172Y	2012	25000	1	BURSAR	GOOD
	PRINTER	HP	3CQ111218SJ	2016	15000	1	ACCOUNTS CLERK	GOOD
	COMPUTER	HP	LNY4100310	2021	25000	1	SECRETARY	GOOD
	PRINTER	KYOCERAL	3CQ1111MBZ	2022	50000	1	SECRETARY	GOOD
	SUB-WOOFER	HP	CN6801B32G	2021	5000	1	PRINCIPAL	GOOD
	DISPENSER	ROYAL SOUND	AC220-243-50HZ	2022	8000	1	PRINCIPAL	GOOD
	TV SET	VON	906VADA2210W0579	2021	18000	1	PRINCIPAL	GOOD
	STEEL CABINET				100000	2	PRINCIPAL	GOOD
	LEATHER SOFAS			2017	56000	2	PRINCIPAL	GOOD
	TABLES			2017	25000	2	PRINCIPAL	GOOD
	SHELVES			2017	5000	1	SECRETARY	GOOD
	STEEL CABINET				7000	1	SECRETARY	GOOD
	TABLE				4000	1	SECRETARY	GOOD
	CHAIR				2500	1	SECRETARY	GOOD
	COMPUTER	HP	3CQ112166S	2019	30000	1	D/PRINCIPAL	GOOD
	TV SET	VITRON		2019	18000	1	D/PRINCIPAL	GOOD
	DISPENSER	RAMTONS	05944/1060Z	2019	8000	1	D/PRINCIPAL	GOOD
	COMPUTER	ACER	ETLA70801887074434211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA7080188170388C4211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA708018817072D54211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA708018817072894211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA708018817072F04211	2009	30000	1	COMPUTER LAB	GOOD
	STUDENTS CHAIRS	METAL			2840000	1136	CLASSES	GOOD
	STUDENTS LOCKERS	METAL			2840000	1136	CLASSES	GOOD
	OFFICE TABLES				144000	36	DEPT OFFICES	GOOD
	OFFICE CHAIRS				130000	52	DEPT OFFICES	GOOD

	DINING TABLES				360000	72	DINING HALL	GOOD
	SCHOOL BUSES	KAH 059F	7106702		750000	1	GARAGE	GOOD
		KBL 258G	JALFRR33L97000287		4500000	1	GARAGE	GOOD
	BOYS TOILETS					21	COMPOUND	GOOD
	GIRLS TOILETS					41	COMPOUND	GOOD
	URINAL BOYS					2	COMPOUND	GOOD
	CLASS ROOMS				72000000	24	COMPOUND	GOOD
	LABORATORIES				15000000	4	COMPOUND	GOOD
	COMPUTER LABS				70000	1	COMPOUND	GOOD
	LIBRARY COMPLEX				12000000	1	COMPOUND	GOOD
	KITCHEN			2021	5500000	1	COMPOUND	GOOD
	WORKSHOP					1	COMPOUND	GOOD
	STAFF HOUSES				10000000	10	COMPOUND	GOOD
	ADMINISTRATION BLOCK				5000000	1	COMPOUND	GOOD
	COMPUTER	ACER	AA574	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA451	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA813	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA799	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA672	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA792	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA794	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA469	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA023	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA743	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA273	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA672	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA203	2023	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	AA044	2023	30000	1	COMPUTER LAB	GOOD

KIRITI SECONDARY SCHOOL

P.O. BOX 12221 NYERI TEL: 0725687589: Email: kiritisecondaryschool4@gmail.com

KIRITI SEC. SCH TUITION A/C TRIAL BALANCE

CURRENT PERIOD : 1ST JULY 2022 -21 TO 30TH JUN 2023

COMPARE WITH 1ST JULY 2021 -21 TO 30TH JUN 2022

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Ksh	Ksh	Ksh	Ksh
Opening Bal-				
Cash at Bank		94,688.00		103.00
Tuition				
Operation A/c	545,120.00			
Textbooks	40,740.00			520,000.00
Exercise Books	980,300.00	925,890.50	2,218,180.00	1,665,450.80
Teaching, L/Resources	780,705.00	844,519.75	173,100.00	605,462.40
Ref/Library	90,000.00	205,393.75	141,500.00	153,508.80
Lab Equipment	490,000.00	755,373.50	1,121,745.00	814,517.40
Chalk		89,147.00		30,915.50
Internal Exams/Assessment	230,000.00	250,541.50	517,728.00	376,983.10
MOEST				100,000.00
School Fund				
Bank Charges	360.00			
Closing Balance - Cash at Bank	8,329.00		94,688.00	
	3,165,554.00	3,165,554.00	4,266,941.00	4,266,941.00

KIRITI SECONDARY SCHOOL

P.O. BOX 12221 NYERI TEL: 0725687589; Email: kiritisecondaryschool4@gmail.com

KIRITI SEC. SCH OPERATION A/C TRIAL BALANCE

CURRENT PERIOD : 1ST JULY 2022 -21 TO 30TH JUN 2023

COMPARE WITH 1ST JULY 2021 -21 TO 30TH JUN 2022

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Ksh	Ksh	Ksh	Ksh
Opening Bal- Cash in Hand				
Cash at Bank		35,835.00		
School Fund A/c	2,219,316.00	5,413,755.00	285,249.00	1,715,266.00
RMI(Infrastructure)	3,000,000.00	3,416,000.00	4,280,260.00	2,259,261.00
L.T.T	1,530,954.00	965,183.00	1,423,848.00	5,519,500.00
E.W.C	413,564.00	865,185.00	986,390.00	1,091,790.00
Others	1,506,921.00	2,207,721.00	1,786,115.00	1,091,790.00
Activity	1,421,325.00	898,197.00	718,949.00	866,762.00
Personal Emolument	4,808,125.00	2,230,359.00	4,286,060.00	866,762.00
NSSF	314,196.00	314,196.00	333,608.00	3,500,398.00
PAYE	43,653.00	43,653.00	45,573.00	333,608.00
NHIF	103,300.00	103,300.00	109,350.00	45,573.00
Salary Advance	3,000.00	56,441.00	83,000.00	109,350.00
Admin cost	5,738,586.00	2,230,359.00	5,947,771.00	132,244.00
MOEST		545,000.00		3,500,398.00
Tuition		100,000.00	520,000.00	
Special Needs Edu		1,941,605.00		
Service Gratuity		68,351.00		
Insurance	30,000.00	43,672.00		
Medical				
Other Voteheads				
Welfare	68,351.00			
N.T.S. Loan	43,672.00			
Closing Balance				
Bank Balance	233,849.00		226,529.00	
	21,478,812.00	21,478,812.00	21,478,812.00	21,032,702.00

KIRITI SECONDARY SCHOOL

P.O. BOX 12221 NYERI TEL: 0725687589; Email: kiritisecondaryschool4@gmail.com

KIRITI SEC. SCHOOL FUND A/C TRIAL BALANCE

CURRENT PERIOD : 1ST JULY 2022 TO 30TH JUN 2023

COMPARE WITH 1ST JULY 2021 TO 30TH JUN 2022

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Ksh	Ksh	Ksh	Ksh
Opening Bal- Cash in Hand		7,604.00		217.00
Cash at Bank - equity		105,032.00		105,305.00
KCB		325,909.00		
Damages				1,400.00
Rent				4,100.00
Examination				
Lunch	2,895,673.00	1,748,194.00	18,806,673.00	19,912,728.00
Fees Arrears		2,400,128.00		815,319.00
Sundry Creditors	518,778.00	11,600.00		
Operations a/c	2,285,634.00	883,695.00	2,253,161.00	285,249.00
Rent Arrears				160,200.00
Farm	9,970.00		153,652.00	323,000.00
Prepayments		100,758.00	2,000.00	445,355.00
Bursary	454,000.00	454,000.00	4,207,300.00	4,207,300.00
TP Allowance				
Tuition				
LTT			100,000.00	
Bus	56,900.00	129,500.00		
Bank charges	6,680.00			
Donations				
General Journal				
Tender	6,000.00	5,000.00		
Infrastructure account		149,000.00		
Ground Hire		2,000.00		
Closing Bal - Cash				
Bank			12.00	
equity	30,720.00		737,375.00	
KCB	78,513.00	20,448.00		
	6,342,868.00	6,342,868.00	26,260,173.00	26,260,173.00