

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

OF DATE: 04 MAR 2025

DAY.

Tuesday

**TABLED
BY:**

Deputy chief whip
Majority party
Hon. Naomi Silla

THE AUDITOR-GENERAL

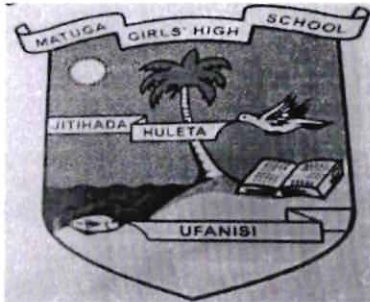
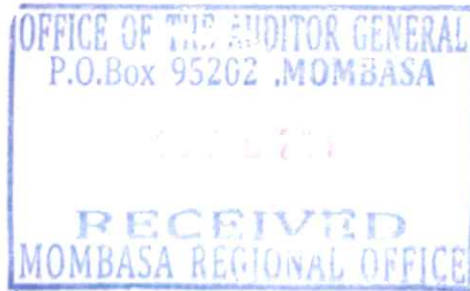
Benson Inzafu

ON

MATUGA GIRLS' HIGH SCHOOL

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

KWALE COUNTY

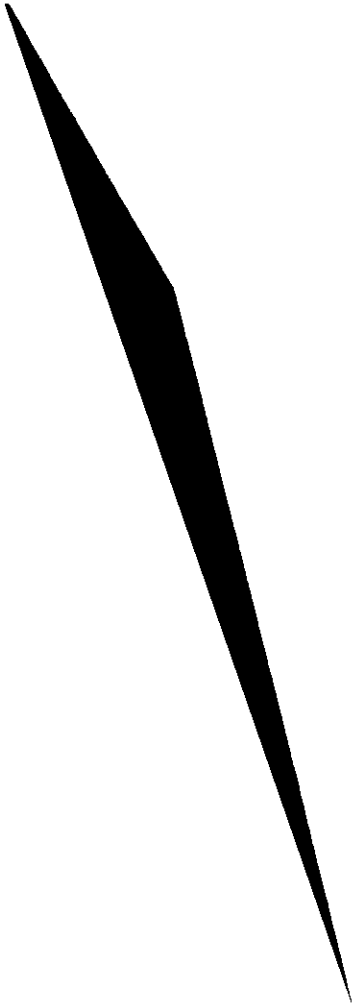


**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

Prepared in accordance with the Cash Basis of Accounting Method under the Interr
Accounting Standards (IPSAS)



MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.....	6
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	10
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF MATUGA GIRLS HIGH SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	11
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021	12
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021 13	
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	25
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021	11
IX. SIGNIFICANT ACCOUNTING POLICIES.....	16
X. NOTES TO THE FINANCIAL STATEMENTS	18

PUBLIC SECONDARY SCHOOLS - (MATUGA GIRLS HIGH SCHOOL)
Reports and Financial Statements
For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Kwale County, Matuga Sub-County

The school was registered in 2018 under registration number KWL/S/02/105/777 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 1063 number of students as at 30th June 2021. It has 6 streams and 48 teachers of which 17 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	Hamadi Iddi Boga	Chairman	11/09/2019
2	Gladys Chivatsi	Secretary - Principal	11/09/2019
3	Najya Muhammed	Vice Chair	11/09/2019
4	AbdulKhalfan Mwasserah	Member - Parents	11/09/2019
5	Annah N, Kamau	Member - Parents	11/09/2019
6	Lydia Kimani	Member - Parents	11/09/2019
7	Mwanarusi Khamis	Member - Parents	11/09/2019
8	Josiah M. Kilei	Member – Rep CEB	11/09/2019
9	Rajab Tsuma	Member Rep Teachers	11/09/2019
10	Priscah Karen	3 Members - Sponsor	11/09/2019
11	Davis K. Mwachiro	Member - Community	11/09/2019
12	Badi Mwalimu	MemberSpecial Needs	11/09/2019
13	Frank Onjor	Member - Parents	11/09/2019
13	Manal Bakari	Rep Students	11/09/2019

KEY SCHOOL INFORMATION AND MANAGEMENT

The function of the School Board of Management include:

- 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	Hamadi Iddi Boga Gladys N. Chivatsi Najya Muhammed Anna N. Kamau Abdul Mwaserrah	Chair Secretary Member Member Member	2
2	Audit Committee	Gladys N. Chivatsi Mwanarusi Khamis Najya Muhammed Jackson Omondi Gladys Mwanthi	Chair Secretary Member Member Member	2
3	Finance, procurement and general purposes Committee	Gladys N. Chivatsi Mwanarusi Khamis Najya Muhammed Jackson Omondi Gladys Mwanthi	Chair Secretary Member Member Member	1
4	Academic Committee	Najya Muhammed Gladys Chivatsi Annah N. Kamau Gladys Mwanthi Grace Manza	Chair Secretary Member Member Member	3
5	Development Committee	Najya Muhammed Jackson Omondi Grace Manza Gladys N. Chivatsi	Chair Secretary Member Member	2

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

		SCDE	Member	
6	Discipline and welfare Committee	Grace Manza Gladys Mwanthi Rajab Tsuma Gladys Chivatsi Eugene Isutsa Rose Mwasi	Chair Secretary Member Member Member	2
	Adhoc Committee Disposal Committee	Nancy Kariuki Eugene Isutsa Regina Kitonga Richard Kwinga Paul Mutie	Chair Secretary Member Member Member	
	Tender Opening Committee	Grace Manza Judy Ogake Rajab Tsuma Rose Mwasi	Chair Secretary Member Member Member	1
7	Tender Evaluation Committee	Gladys Mwanthi James Mujibi Mgalla Munga Mwanarusi Bendera Belynda Kadima	Chair Secretary Member Member Member	1

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Gladys Nyamvula Chivatsi	273600
2	Deputy Principal	Winnie Julius Gowa	426809
3	School Bursar	James Kirima Mujibi	N/A

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 24-80406, Matuga
Telephone: 0720 872 202
E-mail: matugagirlshighschool@yahoo.com
Website: www.matugagirlshighschool.com
Facebook:
Twitter:

(f) School Bankers

The following school operated 11 number of bank accounts in the following banks:

1. Name of Bank: KCB
Branch: Ukunda
Account Number: Main A/c 1108588115
Tuition A/c 1109238649
Operational A/c 1109240821
Caution Money 1117414248
Examination A/c 1117414035
Infrastructure A/c 1116070588

2. Name of Bank: KCB
Branch: Treasury Square
Account Number: 1104908549

3. Name of Bank: Equity Bank
Branch: Kwale
Account Number: Savings: 1580270317265
Service Gratuity: 44026293205
CDF: 1580266195898

4. Name of Bank: Kenya Women Finance Trust
Branch: Ukunda
Account Number: 1005323319

5. MPESA Pay Bill No. **522123** attached to **1108588115** bank account

(g) Independent Auditors

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

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

II. 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 and a comparison of the same for the last three years*

YEAR	2020 - 2021	2020	2019
Surplus/Deficit	(8,012,618.80)	31,043,860.20	4,343,160.10

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

YEAR	2020 - 2021	2020	2019
M.O.E Grant	9,658,215.20	13,050,853.00	19,497,648.20

- *Ratio of capitation grant per student over the last three years*

YEAR	2020 - 2021	2020	2019
M.O.E Grant	9,658,215.20	13,050,853.00	19,497,648.20
Students	1063	929	824
Ratio	1:9,085.81	1:14,048.28	1:17,238.32

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

YEAR	2020 - 2021	2020	2019
Fees Income	13,860,000.00	60,857,701.00	53,353,182.00
Other Income	6,907,964.50	31,388,902.00	13,214,834.15

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

YEAR	2020 - 2021	2020	2019
Expenditure	28,677,663.50	61,202,742.80	77,209,012.20

- *Movement of debtors and creditors of the school over the last three years*

YEAR	2020 - 2021	2020	2019
Debtors	24,878,819.00	24,976,898.00	8,868,860.00
Creditors	6,039,243.65	11,114,042.65	4,647,001.00

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

- *Movement of cash and bank balances over the last three years*

<i>YEAR</i>	<i>2020 - 2021</i>	<i>2020</i>	<i>2019</i>
<i>Cash</i>	<i>98,858.10</i>	<i>21,777.00</i>	<i>613.00</i>
<i>Bank</i>	<i>15,030,691.82</i>	<i>16,637,288.71</i>	<i>16,515,401.43</i>

b) Teacher Student ratio:

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

Teacher: Student Ratio: 1:34.29

Number of Teachers Recruited within the year: 4

Number of teachers transferred: 0

Number of teachers retired:0

Teachers employed by BOM: 5

No. of teachers per subject

<i>SUBJECT</i>	<i>NO. OF TEACHERS</i>
<i>Mathematics</i>	<i>10</i>
<i>English</i>	<i>6</i>
<i>Kiswahili</i>	<i>7</i>
<i>Chemistry</i>	<i>6</i>
<i>Biology</i>	<i>8</i>
<i>Physics</i>	<i>3</i>
<i>Business studies</i>	<i>3</i>
<i>Computer studies</i>	<i>1</i>
<i>Home Science</i>	<i>1</i>
<i>Agriculture</i>	<i>3</i>
<i>French</i>	<i>1</i>
<i>History & Government</i>	<i>6</i>
<i>C.R.E</i>	<i>5</i>
<i>I.R.E</i>	<i>2</i>

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

<i>Geography</i>	4
------------------	---

c) Mean score in the 2021, 2020 & 2019 KCSE:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

	2021	2020	2019
<i>Set Score</i>	9.40	8.20	8.00
<i>Mean Score</i>	7.897	7.823	7.097
<i>University Transition</i>	183	146	120

d) Number of Candidates in the 2021, 2020 & 2019 KCSE:

<i>YEAR</i>	2021	2020	2019
<i>Candidates</i>	235	194	195

e) Capacity of the school:

Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education.

<i>Description</i>	<i>Number</i>
<i>Students</i>	1063
<i>Dormitories</i>	11
<i>Dining Hall</i>	1
<i>Laboratories</i>	3
<i>Toilets</i>	50
<i>Classes</i>	23
<i>Library</i>	1
<i>Domestic Science</i>	1
<i>Dispensary</i>	1
<i>Stationery Store</i>	1
<i>Game store</i>	1

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

f). Development projects carried out by the school:

<i>Projects</i>	<i>Source Of Funds</i>
<i>A New Hostel</i>	<i>Ministry Of Education</i>

Sign: 

School Principal



III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

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

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

Name: Hamadi Iddi Boga
Designation: Chairman, School Board of Management
Sign:
Date: 12th July 2024

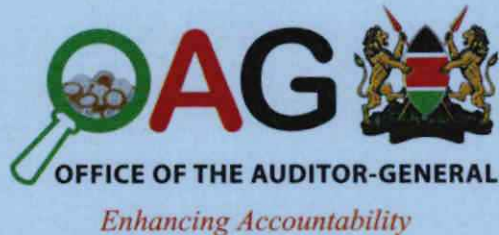
Name: Carolyne Zawadi
Designation: School Principal & Secretary to Board of Management
Sign:
Date: 12th July 2024

Name: James Kirima Mujibi
Designation: Bursar/ Finance Officer
Sign:
Date: 12th July 2024



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MATUGA GIRLS' HIGH SCHOOL FOR THE SIX (6) MONTHS' PERIOD 30 JUNE, 2021 - KWALE COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Matuga Girls' High School – Kwale County set out on pages 12 to 28, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Matuga Girls' High School – Kwale County as at 30 June, 2021, 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. Inaccuracies in the Financial Statements

The statement of financial assets and financial liabilities reflects accumulated fund balance of Kshs.41,981,744 whereas the corresponding Note 13 to the financial statements reflects accumulated fund balance of Kshs.35,479,093 resulting to an unreconciled variance of Kshs.6,502,651. Further, the statement of cash-flows reflects net increase in cash and cash equivalent amount of Kshs.1,529,645 whereas the re-computation of the amounts indicates a balance of Kshs.8,012,619 resulting in an unreconciled variance of Kshs.6,482,974. In addition, the opening cash and cash equivalents balance is reflected as Kshs.16,659,195 whereas the closing balance at the end of the prior year was Kshs.21,107,244 resulting in an unreconciled variance of Kshs.4,448,049.

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

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities and as disclosed in Note 8 to the financial statements reflects cash and cash equivalents balance of Kshs.15,030,692. However, the balance reflected in the financial statements was the bank balance and not the cashbook balance. Further, review of bank reconciliation statements, bank statements and certificate of bank balances revealed that the School did not maintain separate cashbooks for each bank account and prepared a consolidated bank reconciliation statement for all the three bank accounts.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.15,030,691 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.24,878,819 which includes fees arrears totalling Kshs.24,787,819 as

disclosed in Note 11 to the financial statements. However, included in the fee arrears balance are receivables amounting to Kshs.11,824,901 which had been outstanding for more than two (2) years. Further, significant accounting policies on accounts receivables as disclosed in Note 5 is silent on the treatment of the students' fees balances which is the major source of income for the School.

In the circumstances, the accuracy, completeness and full recoverability of the receivables balance of Kshs.24,878,819 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects budgeted and actual income amounts of Kshs.43,145,240 and Kshs.23,600,691 respectively resulting in an under-funding of Kshs.19,544,549 or 45% of the budget. However, the School spent a balance of Kshs.28,045,230 against actual receipts of Kshs.23,600,691 resulting to an over-utilization of Kshs.4,444,539 or 19% of actual receipts.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matter 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

Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.6,039,244. However, included in the balance are trade payables balance of Kshs.239,352 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 contracts are reflected in approved budget estimates.

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

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

REPORT ON 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 matter 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

Incomplete Asset Register

The School did not maintain an updated and complete asset register. The assets register maintained did not clearly indicate the purchase date, cost price and current condition to ascertain the age and net book value of the assets.

In the circumstances, the effectiveness of the management of fixed assets could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related 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 which 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 on whether, in all material respects, 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, in accordance with the provisions of Article 229(6) of the Constitution, and submit the audit report in compliance with Article 229(7) of the Constitution

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls which 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 which would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 September, 2024

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

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

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,222,986.75	1,675,128.00
Capitation grants for operations	2	8,435,228.45	11,375,725
School Fund Income- Parents' Contributions	3	4,098,865.00	47,806,848.00
School Fund Income- Other receipts	4	6,907,964.50	31,388,902.00
Proceeds from borrowings		0.00	0.00
TOTAL RECEIPTS		20,665,044.70	92,246,603.00
PAYMENTS			
Payments for Tuition	5	736,361.00	1,290,899.00
Payments for Operations	6	8,101,425.00	15,635,256.10
Boarding and School Fund Payments	7	19,839,877.50	44,276,587.70
TOTAL PAYMENTS		28,677,663.50	61,202,742.80
SURPLUS/DEFICIT		(8,012,618.80)	31,043,860.20

The school financial statements were approved on **12th July 2024** and signed by:

Name **Hamadi Iddi Boga**

Name **Carolynne Zawadi**

Name: **James K. Mujibi**

Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Sign:

Sign:

Sign:

Date: **12th July 2024**

Date: **12th July 2024**

Date: **12th July 2024**



MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	15,030,691.82	16,637,288.71
Cash Balances	9	98,858.10	21,777.00
Short term Investment	10	0.00	0.00
Total Cash and Cash Equivalent		<u>15,129,549.92</u>	<u>16,659,065.71</u>
Account's Receivables	11	24,878,819.00	24,976,898.00
TOTAL FINANCIAL ASSETS		40,008,368.92	41,635,963.71
FINANCIAL LIABILITIES			
Accounts Payables	12	(6,039,243.65)	(11,114,042.65)
NET FINANCIAL ASSETS		33,969,125.30	30,521,921.10
REPRESENTED BY			
Accumulated Fund b/fwd	13	41,981,744.10	(521,939.10)
Surplus/Deficit for the year		(8,012,618.80)	31,043,860.20
NET FINANCIAL POSSITION		33,969,125.30	30,521,921.10

The School's financial statements were approved on **12th July 2024** and signed by:



Name: Hamadi Iddi Boga
Chairman, BoM

Sign: 

Date: 12th July 2024

Name: Carolyne Zawadi
School Principal/Secretary
to BoM

Sign: 

Date: 12th July 2024

Name: James K. Mujibi
Bursar/Finance

Sign: 

Date: 12th July 2024

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,222,987.00	1,675,128.00
Capitation grants for operations	2	8,435,228.00	11,375,725.00
School fund income- Parents contributions/ fees	3	4,098,865.00	47,806,848.00
School fund income- other receipts	4	6,907,964.50	31,388,902.00
Total receipts		20,665,044.70	92,246,603.00
Payments			
Payments for Tuition	5	736,361.00	1,290,899.00
Payments for operations	6	8,101,425.00	15,635,256.10
Boarding and school fund payments	7	19,839,877.50	44,276,587.70
Total payments		28,524,265.50	61,202,742.80
Net cash flow from operating activities		(8,012,618.80)	31,043,860.20
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0.00	0.00
Acquisition of Assets		(0.00)	(0.00)
Proceeds from investments		0.00	0.00
Purchase of investments		(0.00)	(0.00)
Net cash flows from Investing Activities		0.00	0.00
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash flow from financing activities		0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENTS		(1,529,645.00)	4,448,048.00
Cash and cash equivalent at BEGINNING of the year		16,659,195.71	16,659,190.00
Cash and cash equivalent at END of the year		15,129,549.87	21,107,244.00

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.

PUBLIC SECONDARY SCHOOLS - (MATUGA GIRLS HIGH SCHOOL)
Reports and Financial Statements
For the year ended 30th June 2021

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	0.00	0.00	0.00	0.00	0.00	0.00
Exercise books	735,053.00	0.00	735,053.00	254,040.03	481,013.97	0.35
Laboratory equipment	325,731.00	0.00	325,731.00	237,225.88	88,505.37	0.73
Internal exams	0.00	0.00	0.00	0.00	0.00	0.00
Teaching / learning materials	142,661.50	0.00	142,661.50	158,264.88	-15,603.38	1.11
Chalks	0.00	0.00	0.00	0.00	0.00	0.00
Exams and assessment	251,883.00	0.00	251,883.00	155,485.92	96,397.08	0.62
Teachers guides	0.00	0.00	0.00	0.00	0.00	0.00
Reference/Library	95,090.25	0.00	95,090.25	83,512.04	11,578.21	0.88
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,474,500.00	0.00	1,474,500.00	1,519,225.43	44,725.43	1.03
Repairs and maintenance	2,457,500.00	0.00	2,457,500.00	3,286,500.00	-829,000.00	1.34
Local transport / travelling	810,975.00	0.00	810,975.00	538,567.81	272,407.19	0.66
Electricity and water	1,105,875.00	0.00	1,105,875.00	734,416.66	371,458.34	0.66
Medical	663,525.00	0.00	663,525.00	0.00	0.00	0.00
Administration costs	1,228,750.00	0.00	1,228,750.00	817,969.55	410,780.45	0.67
Activity	737,250.00	0.00	737,250.00	0.00	0.00	0.00
Gratuity	0.00	0.00	0.00	0.00	0.00	0.00

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c
	Kshs	Kshs			Kshs	Kshs
SMASSE	0.00	0.00	0.00	0.00	0.00	0.00
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	6,513,849.50	0.00	6,513,849.50	3,590,327.00	2,923,522.50	0.55
Repairs and maintenance	1,376,200.00	0.00	1,376,200.00	559,467.00	816,733.00	0.41
Local transport / travelling	2,476,177.00	0.00	2,476,177.00	1,305,237.00	1,170,940.00	0.53
Electricity and water	1,247,427.00	0.00	1,247,427.00	595,859.00	651,568.00	0.48
Medical	0.00	0.00	0.00	0.00	0.00	0.00
Administration costs	2,494,362.50	0.00	2,494,362.50	976,662.00	1,517,700.00	0.39
Activity	510,177.00	0.00	510,177.00	220,626.00	289,551.00	0.43
SMASSE	0.00	0.00	0.00	0.00	0.00	0.00
Fee on Boarding Equipment and Stores	18,330,253.00	0.00	18,330,253.00	5,971,898.00	12,358,355.00	0.33
OTHER INCOME						
Rent income	168,000.00	0.00	168,000.00	105,500.00	62,500.00	0.63
Income from farming activities	0.00	0.00	0.00	68,575.00	0.00	0.00
Insurance compensation	0.00	0.00	0.00	0.00	0.00	0.00
Income from Posho mill	0.00	0.00	0.00	0.00	0.00	0.00
Income from Bus Hire	0.00	0.00	0.00	0.00	0.00	0.00
Fee for hire of ground and equipment	0.00	0.00	0.00	40,000.00	0.00	0.00
Interest income	0.00	0.00	0.00	0.00	0.00	0.00
Income from any other investment - Bakery	0.00	0.00	0.00	2,381,332.50	0.00	0.00
TOTAL INCOME	43,145,240.00	0.00	43,145,240.00	23,600,691.70	13,262,132.16	10.77
(1) EXPENDITURE FOR TUITION						

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=e/d
Textbooks and reference materials	0.00	0.00	0.00	0.00	0.00	0.00
Exercise books	735,053.00	0.00	735,053.00	114,840.00	620,213.00	0.16
Laboratory equipment	325,731.00	0.00	325,731.00	523,041.00	-197,309.75	1.61
Internal exams	0.00	0.00	0.00	0.00	0.00	0.00
Teaching / learning materials	142,661.50	0.00	142,661.50	0.00	0.00	0.00
Chalks	0.00	0.00	0.00	0.00	0.00	0.00
Exams and assessment	251,883.00	0.00	251,883.00	0.00	0.00	0.00
Teachers guides	0.00	0.00	0.00	0.00	0.00	0.00
Administration costs	95,090.25	0.00	95,090.25	0.00	0.00	0.00
Bank Charges	0.00	0.00	0.00	480.00	0.00	0.00
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	1,474,500.00	0.00	1,474,500.00	3,810,320.00	2,335,820.00	2.58
Repairs, maintenance & improvements	2,457,500.00	0.00	2,457,500.00	0.00	0.00	0.00
Local transport / travelling	810,975.00	0.00	810,975.00	0.00	0.00	0.00
Electricity, water and conservancy	1,105,875.00	0.00	1,105,875.00	622,369.00	483,506.00	0.56
Medical	663,525.00	0.00	663,525.00	76,845.00	586,680.00	0.12
Administration costs	1,228,750.00	0.00	1,228,750.00	329,391.00	899,359.00	0.27
Activity Expenses	737,250.00	0.00	737,250.00	0.00	0.00	0.00
Infrastructure	0.00	0.00	0.00	3,262,500.00	0.00	0.00
SMASSE	0.00	0.00	0.00	0.00	0.00	0.00
(3) EXPENDITURE FOR SCHOOL FUND						

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/e %
Personnel Emoluments	6,513,849.50	0.00	6,513,849.50	2,058,979.00	4,454,870.50	0.32
Maintenance and Improvements	1,376,200.00	0.00	1,376,200.00	422,275.00	953,925.00	0.31
Local Transport / Travelling	2,476,177.00	0.00	2,476,177.00	1,352,580.00	1,123,597.00	0.55
Electricity, water and conservancy	1,247,427.00	0.00	1,247,427.00	810,141.00	437,286.00	0.65
Medical Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Administration Costs	2,494,362.50	0.00	2,494,362.50	2,335,871.00	158,491.50	0.94
Activity	510,177.00	0.00	510,177.00	450,260.00	59,917.00	0.88
Gratuity	0.00	0.00	0.00	0.00	0.00	0.00
Lunch program	0.00	0.00	0.00	0.00	0.00	0.00
Boarding Equipment and Stores	18,330,253.00	0.00	18,330,253.00	10,855,825.70	7,474,427.30	0.59
Expenditure for Income Generating Activity - Bakery	0.00	0.00	0.00	973,310.00	0.00	0.00
Insurance costs	0.00	0.00	0.00	0.00	0.00	0.00
Other expenses on investments - Farm	0.00	0.00	0.00	23,530.00	0.00	0.00
Rent Expenses	168,000.00	0.00	168,000.00	0.00	0.00	0.00
Bank Charges	0.00	0.00	0.00	22,672.00	0.00	0.00
Loan Interest Repayment	0.00	0.00	0.00	0.00	0.00	0.00
Loan Principal Repayment	0.00	0.00	0.00	0.00	0.00	0.00
Acquisition of Assets	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	43,145,240.00	0.00	43,145,240.00	28,045,229.70	19,390,782.55	9.54

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

- i. Underutilization below 90%. P.E was shared in both School Fund A/c & Operation A/c. Salaries were mostly paid by Operation A/c thus leading to underutilization in the Boarding A/c.

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

- ii. *Overutilization above 100%. M.I was over utilized because there was transfer of funds from Operational A/c Ksh5,000.00 per student to Infrastructure A/c and there were renovations of Laboratories & Dormitories.*

SIGNIFICANT ACCOUNTING POLICIES

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	0.00	0.00
Exercise books	254,040.03	375,840.00
Laboratory equipment	237,225.88	508,950.00
Internal exams	0.00	0.00
Teaching / learning materials	158,264.88	352,350.00
Chalks	0.00	0.00
Exams and assessment	155,485.92	437,988.00
Reference/Library	83,512.04	0.00
Teachers guides	0.00	0.00
M.O.E	334,458.00	0.00
Total	1,222,986.75	1,675,128.00

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	1,519,225.43	2,900,000.00
Repairs and maintenance	3,286,500.00	4,202,600.00
Local transport / travelling	538,567.81	1,167,000.00
Electricity and water	734,416.66	1,167,000.00
Medical	0.00	0.00
Administration costs	817,969.55	1,167,000.00
Activity	0.00	772,125.00
M.O.E	1,538,549.00	0.00
Total	8,435,228.45	11,375,725.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	2,037,408.00	9,484,160.00
Repairs and maintenance	338,703.00	28,197,280.00
Local transport / travelling	674,746.00	1,856,000.00
Electricity and water	350,592.00	3,747,264.00
Medical	0.00	0.00
Administration costs	579,185.00	3,781,600.00
Activity	118,231.00	740,544.00
Total	4,098,865.00	47,806,848.00

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	3,960,659.00	28,197,280.00
Rent income	86,000.00	180,000.00
Income from farming activities	68,575.00	147,710.00
Insurance compensation	0.00	0.00
Income from Posho mill	0.00	0.00
Income from Bus Hire	0.00	313,006.00
Fee for hire of ground and equipment	40,000.00	501,100.00
Income from grants and donations*	0.00	0.00
Interest income	0.00	490,800.00
Boarding items	284,500.00	0.00
Dividends income	0.00	0.00
University Application	20,398.00	0.00
Tender	0.00	61,000.00
KWFT Fixed Deposit	0.00	0.00
Harambee	66,500.00	0.00
Bakery	2,381,332.50	1,498,006.00
Total	6,907,964.50	31,388,902.00

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	0.00	0.00
Exercise books	114,840.00	375,840.00
Laboratory equipment	523,041.00	508,950.00
Internal exams	0.00	0.00
Teaching / learning materials	0.00	0.00
Chalks	0.00	0.00
Exams and assessment	0.00	404,804.00
Reference/Library	98,000.00	0.00
Teachers guides	0.00	0.00
Administration Costs	0.00	0.00

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

NOTES TO THE FINANCIAL STATEMENTS

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1109238649	1,591,525.90	1,165,557.15
Operations Account	1109240821	1,601,852.05	340,745.60
School Fund Account/Boarding	1108588115	1,135,899.59	867,440.30
Savings Account	1104908549	105,568.92	4,154,330.90
Caution Money Account	1117414248	130.00	130.00
Examination Account	1117414035	64,498.00	64,498.00
Equity Savings Account	1580270317265	200,633.00	226,034.00
CDF Account	1580266195898	509,653.36	509,653.36
Gratuity Savings Account	044026293205	2,677.00	2,676.95
Parent Assoc. Development Account	0	0.00	0.00
Income generating activities Account	0	0.00	0.00
Infrastructural Account	1116070588	9,818,254.00	9,306,352.45
Total		15,030,691.82	16,637,288.71

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	2,650.00	3,379.00
School Fund account	96,208.10	18,398.00
Total	98,858.10	21,777.00

10 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed deposit	0.00	0.00
Equity stock	0.00	0.00
Other investments	0.00	0.00
Total	0.00	0.00

NOTES TO THE FINANCIAL STATEMENTS

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	24,787,819.00	24,963,398.00
Other non-fees receivables	19,500.00	13,500.00
Salary advances	71,500.00	0.00
Imprest	0.00	0.00
Total	24,878,819.00	24,976,898.00

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	5,160,552.00	7,802,366.00
Fees arrears for the previous year	7,802,366.00	8,823,860.00
Fees arrears for prior periods (over two years)	11,824,901.00	8,337,172.00
Total	24,787,819.00	24,963,398.00

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	1,762,883.65	3,332,035.65
Prepaid fees	4,276,360.00	7,782,007.00
Retention monies	0.00	0.00
Total	6,039,243.65	11,114,042.65

[Include an ageing of the creditor's arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	0.00	1,523,532.00
Trade creditors for the previous year	1,523,532.00	1,028,747.00
Trade creditors for prior periods (over two years)	239,351.65	779,756.00
Total	1,762,883.65	3,332,035.00

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	16,637,288.71	16,769,988.32
Cash balances	21,777.00	613.00
Short Term Investments	0.00	0.00
Receivables	29,934,070.16	22,340,280.30
Payables	(11,114,042.65)	(8,136,260.70)
Total	35,479,093.22	30,974,620.92

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	0.00	0.00
Outstanding Leases	0.00	0.00
Hire purchase	0.00	0.00
Gratuity and leave provision	124,000.00	116,000.00
Total	124,000.00	116,000.00

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	8	119,100.00	22,000.00
Goats	25	150,000.00	94,500.00
Trees	509	1,512,790.00	1,685,544.00
Coffee or tea plantation	0	0.00	0.00
Poultry	0	0.00	0.00
Total	542	1,781,890.00	1,802,044.00

16 Borrowings

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments of during the year	(0.00)	(0.00)
Balance at end of the year	0.00	0.00

MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	5,317,087.02	5,367,753.62
Stock/ inventory purchased during the year	8,539,862.00	4,822,636.00
Stock/ inventory issued during the year	(7,374,510.20)	(4,873,302.60)
Balance at end of the year	6,482,438.82	5,317,087.02

**MATUGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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

PUBLIC SECONDARY SCHOOLS - (MATUGA GIRLS HIGH SCHOOL)
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1. Muki Hardware	49,090.00				49,090.00	
Sub-Total	49,090.00				49,090.00	
Supply of goods						
2. Edlyn Enterprises	565,090.00				565,090.00	
3. Ricardo General Supplies	78,250.00				78,250.00	
4. Matuga Agencies	246,000.00				246,000.00	
5. Mwinyikombo Butchery	376,975.00				376,975.00	
Sub-Total	1,266,315.00				1,266,315.00	
Supply of services						
6. SGA Mombasa Ltd	95,877.00				95,877.00	
7. APPS & Tabs	34,000.00				34,000.00	
8. Kwale Water & Sewerage Co.	78,250.00				78,250.00	
Sub-Total	208,127.00				208,127.00	
Grand Total	1,523,532.00				1,523,532.00	

PUBLIC SECONDARY SCHOOLS - (MATUGA GIRLS HIGH SCHOOL)
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1		Matuga	0.00	0.00	0.00	0.00
Land 2		Matuga	0.00	0.00	0.00	0.00
Buildings and structures		Matuga	0.00	0.00	0.00	149,380,800.00
Motor vehicles		Matuga	0.00	0.00	0.00	1,100,000.00
Office equipment, furniture and fittings		Offices & Classrooms	0.00	0.00	0.00	0.00
ICT Equipment, and Other ICT Assets		Offices & Computer Lab.	0.00	0.00	0.00	1,849,676.00
Tools and apparatus		Laboratories	0.00	0.00	0.00	0.00
Textbooks		Library	0.00	0.00	0.00	0.00
Other Machinery and Equipment		Workshop	0.00	0.00	0.00	0.00
Heritage and cultural assets			0.00	0.00	0.00	0.00
Intangible assets- soft ware		Offices	0.00	0.00	0.00	320,000.00
Total						152,650,476.00