

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 20 FEB 2015 DAY: Thursday

OF

TABLED BY: Hon. Maami Wangari
Deputy Majority Whip
CLERK-AT-THE-TABLE: Imrofu Mwale

THE AUDITOR-GENERAL

ON

CHUMANI SECONDARY SCHOOL

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

KILIFI COUNTY

Revised 30th June 2021



CHUMANI SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR A SIX MONTHS PERIOD ENDING
30TH JUNE 2021

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



CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For a six months period ending 30th June 2021

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CHUMANI SECONDARY SCHOOLS - PUBLIC SECONDARY SCHOOL

Reports and Financial Statements

For a six months period ending 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 Kilifi County, Kilifi North Sub-County

The school was re-registered in September 2010 under registration number GP/A/9043/10 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a boarding school and had 636 students as at 30th June 2021. It has 4 streams and 35 teachers of which 12 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	Jannet Chea	Chairperson	3/7/2019
2	Emmanuel Katana Joseph	Secretary - Principal	3/7/2019
3	Athman Bacha	Member	3/7/2019
4	Winnie Barawa	Member	3/7/2019
5	Adam Kheri Ndamungu	Member	3/7/2019
6	Sebastian Kashero	Member	3/7/2019
7	Amina Musa	Member	3/7/2019
8	Mwatsuma Kiti	Member – Rep CEB	3/7/2019
9	Joseph Kimani Kahugu	Member Rep Teachers	3/7/2019
10	Margaret Pola Tsuma	3 Members - Sponsor	3/7/2019
11	Cecelia Mutua Koki	Member – Sponsor	3/7/2018
12	Martin Shida	Member – sponsor	3/7/2021
13	George Shida	Member – community	3/7/2019
14	Elina Mwarome	Member – special needs	3/7/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

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

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL

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Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Jannet Chea	Bom chairperson	6/6
		Makumbusho Musa	P.A. chair	
		Emmanuel katana	Principal	
		Athman Bacha	BOM member	
		Margaret Tsuma	BOM member	
2	Audit committee	Sebastian Kashero	chair	2/3
		Athman Bacha	member	
		Winnie Barawa	Member	
		Adam Kheri	Member	
3	Finance,procurement/general purpose	Sebastia kashero	Chair	3/3
		Athman bacha	Member	
		Winnie barawa	Member	
		Adam kheri	Member	
4	Academic committee	Mwamuye mwatsuma	chair	3/3
		George shoka	member	
5	Development committee	Makumbusho musa	Pa chair	2/3
6	Discipline and welfare	Jannet Chea	Chair	6/6
		Martin shida	Member	
		Cecelia koki	member	
7	Ad hoc committee			

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(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	Emmanuel J Katana	321923
2	Deputy Principal	John muasya	272389
3	School Bursar	Harriet N. konde	9207008

KEY SCHOOL INFORMATION AND MANAGEMENT

(e) Schools contacts

Post Office Box 192,kilifi
Telephone: 0720810749
E-mail: Chumanisec@ymail.com

(f) School Bankers

The following school operated 7 bank accounts in the following banks:

1. Name of Bank: Kenya commercial bank
 Branch: Kilifi
 Account Number: 1102193143

2. Name of Bank: Kenya commercial bank
 Branch: Kilifi
 Account Number: 1102198536

3. MPESA Pay Bill No. 522123 attached to Kenya commercial bank account
4. Name of bank: Kenya commercial bank
 Branch : Kilifi
 Account no: 1102197971
5. Infrastructure savings Kenya commercial bank – kilifi A/C 1259632571
6. PA savings Kenya commercial bank – kilifi A/C 110037365
7. Chumani non teach Kenya commercial bank - kilifi A/C 1169897541
8. Chumani sec school exam savings - KCB Kilifi A/C 110040517
9. Chumani sec school c/money savings - KCB Kilifi A/C 110040546

(g) Independent Auditors

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

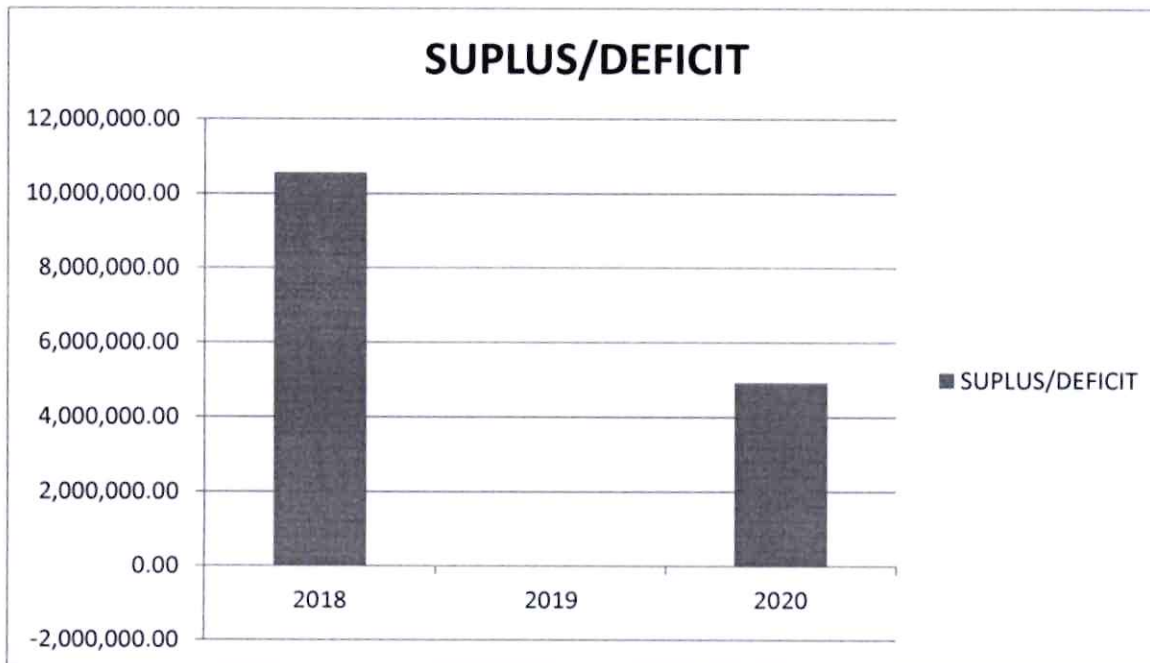
CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For a six months period ending 30th June 2021

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:**

YEAR	SUPLUS/DEFICIT
2018	10,559,498.14
2019	-9,122.55
2020	4,918,522.00

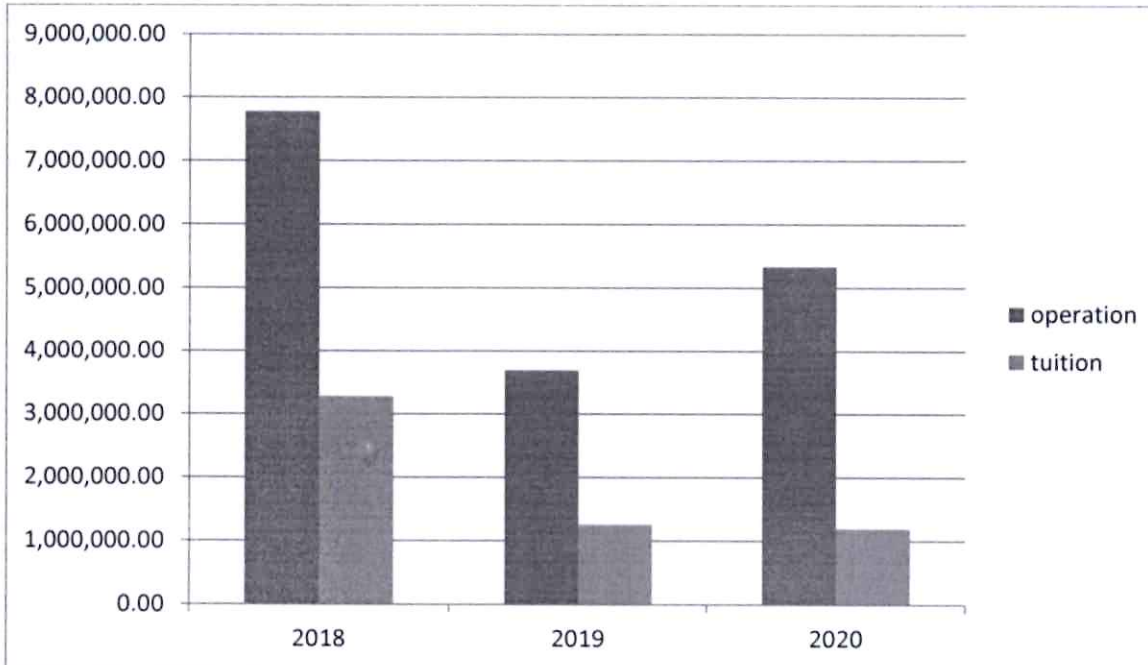


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Capitation grant from the ministry of education for the last three years

Year	Operation account	Tuition account
2018	7,774,990.70	3,279,197.50
2019	3,686,532.70	1,256,655.20
2020	5,328,750.00	1,192,180.00

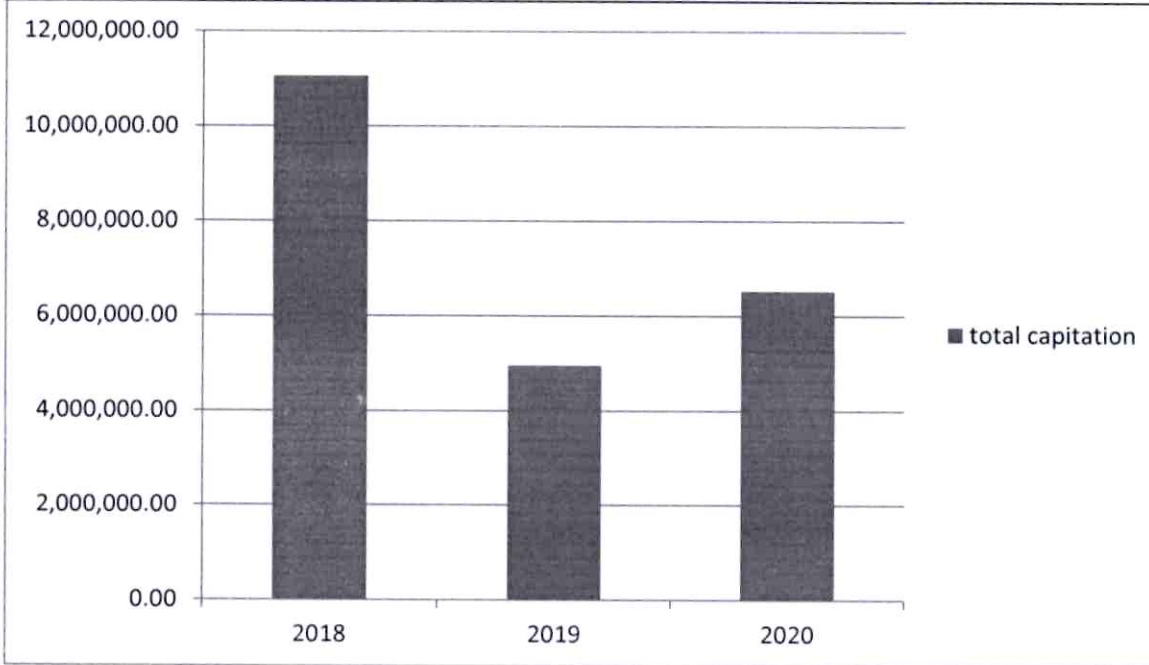
Capitation grant



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

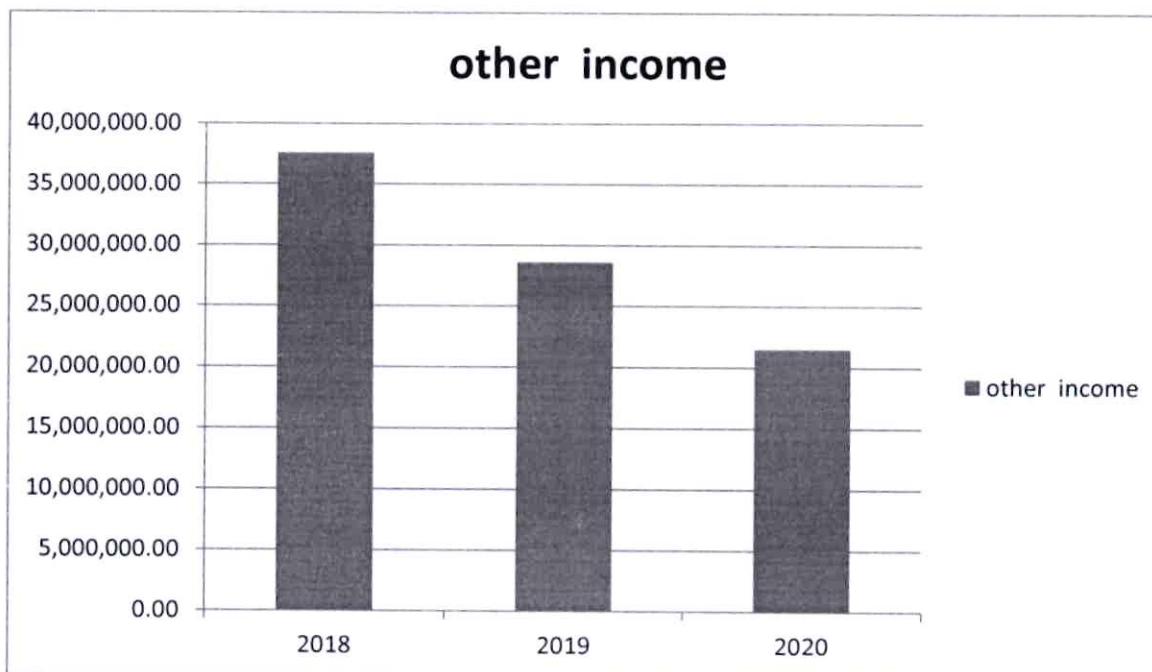
Year	Enrolment	Operation	Tuition	Total	Capitation per learner
2018	640	7,774,990.70	3,279,197.50	11,054,188.20	17,272.00
2019	680	3,686,532.70	1,256,655.20	4,943,187.90	7,269.40
2020	680	5,328,750.00	1,192,180.00	6,520,930.00	9,589.60

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

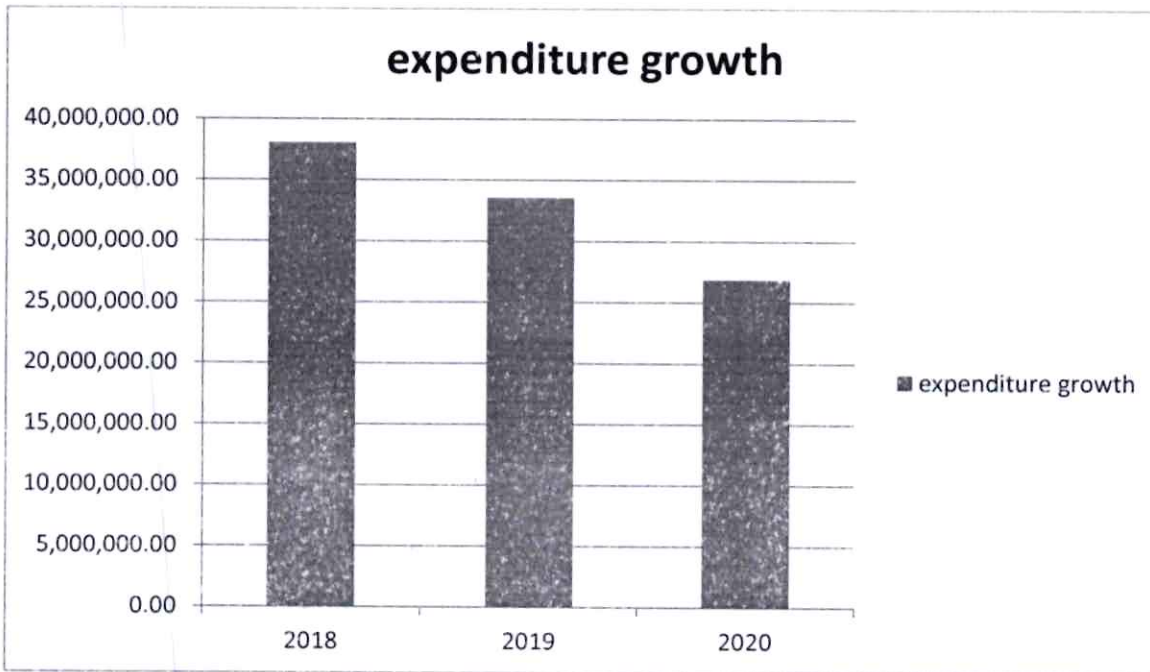
Year	Other income
2018	37,547,436.44
2019	28,593,188.00
2020	21,475,715.00



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A three year overview of growth in expenditure

Year	Expenditure
2018	38,042,126.50
2019	33,545,498.45
2020	26,863,935.00



Movement of debtors and creditors over the last three years

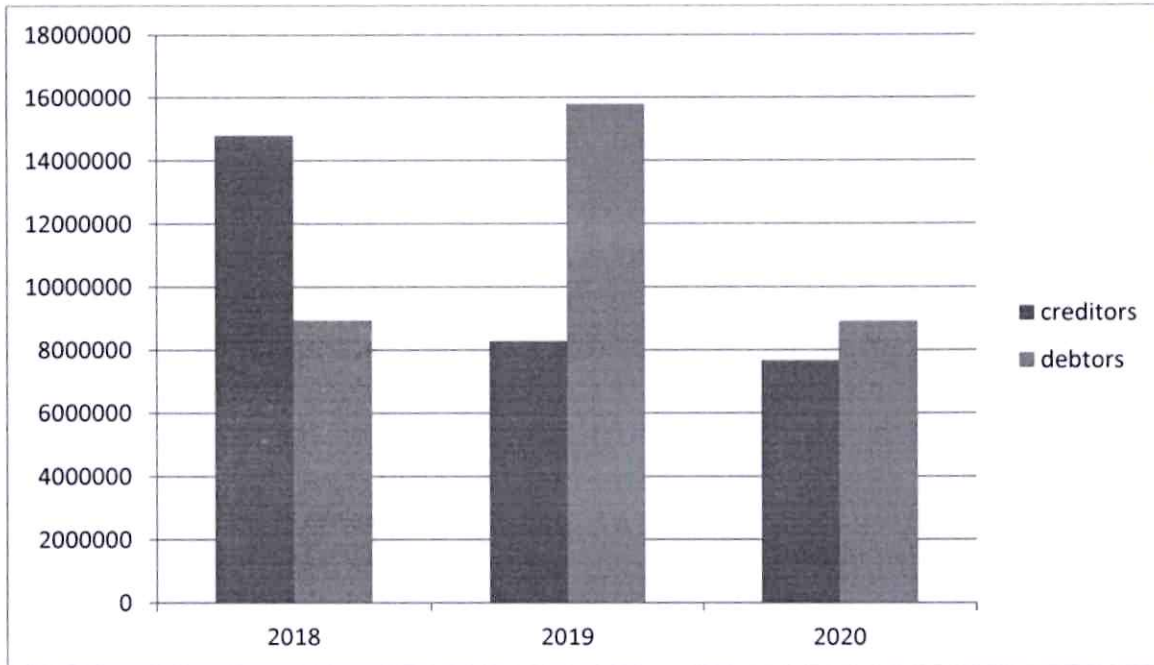
Year	Debtors	Creditors
2018	14,790,630.00	8,941,093.00
2019	8,274,767.00	15,781,809.00
2020	7,662,158.00	8,914,941.00

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For a six months period ending 30th June 2021

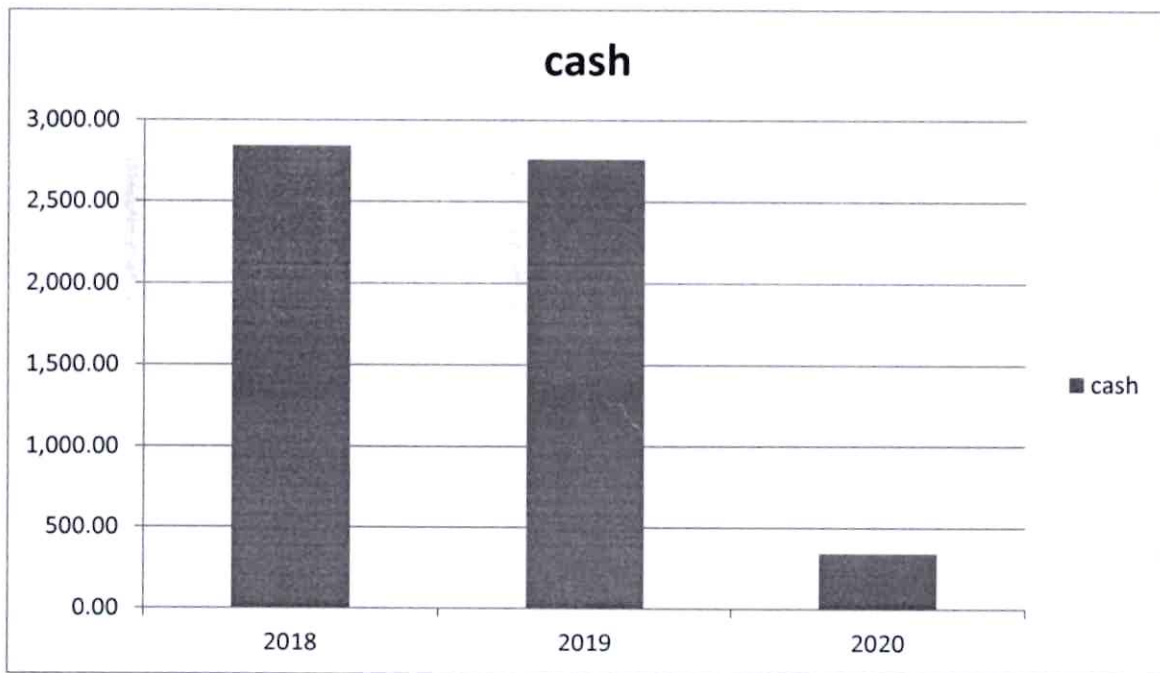
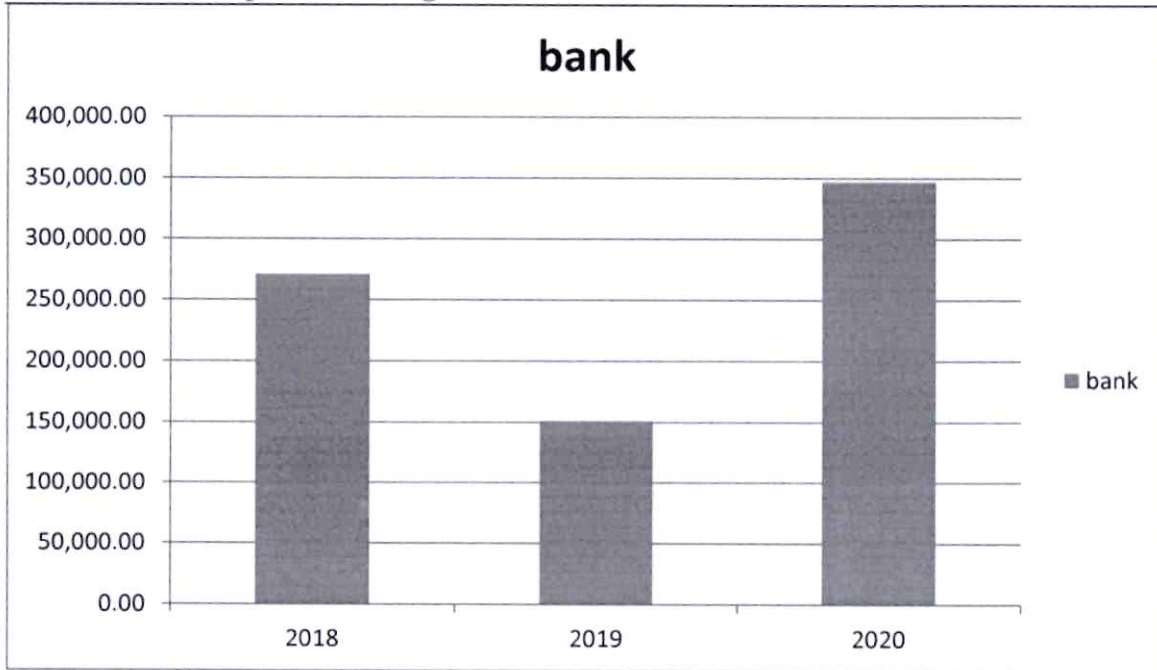
Debtors/creditors



Movement of cash/bank balances over last three years

Year	Cash	Bank
2018	2,840.10	270,836.99
2019	2,757.10	150,923.44
2020	343.10	346,833.44

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b) Teacher Student ratio:

<i>Subject</i>	<i>Tsc</i>	<i>Bom</i>	<i>Total</i>	<i>Teacher/student ratio</i>
<i>English</i>	6	0	6	1:106
<i>Kiswahili</i>	3	3	6	1:106
<i>Mathematics</i>	5	4	9	1:71
<i>Chemistry</i>	5	1	6	1:106
<i>Physics</i>	2	1	3	1:150
<i>Biology</i>	5	1	6	1:90
<i>History</i>	1	2	3	1:213
<i>Geography</i>	1	1	2	1:222
<i>CRE</i>	2	3	5	1:102
<i>IRE</i>	2	0	2	1:29
<i>Agriculture</i>	1	1	2	1:175
<i>Computer</i>	1	0	1	1:124
<i>Business</i>	2	3	5	1:84
<i>Music</i>	1	0	1	1:76
<i>Arabic</i>	0	1	1	1:45

Teachers recruited/posted/transferred/retired/employed by tsc/bom for the last three years

<i>Year</i>	<i>Recruited/posted</i>	<i>Transferred</i>	<i>Retired</i>	<i>Employed by tsc</i>	<i>Employed by bom</i>
2018	3	0	0	0	0
2019	2	1	0	1	0
2020	0	2	0	0	2

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

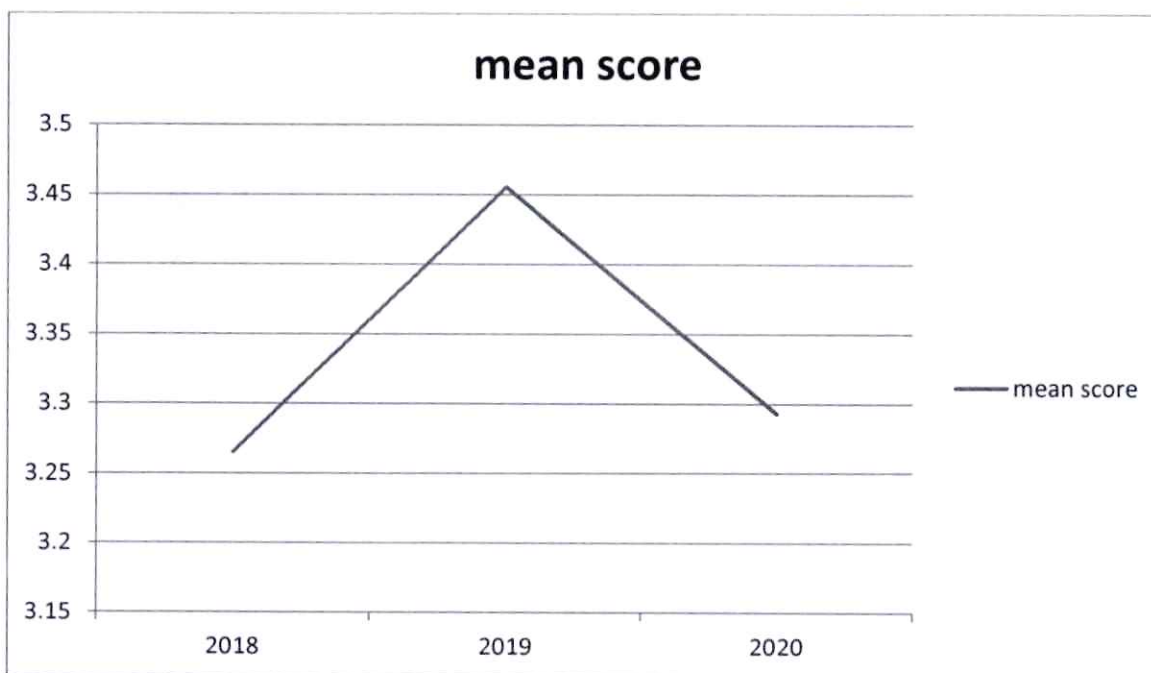
For a six months period ending 30th June 2021

c) Mean score/number of students in the 2018-2020 KCSE:

Year	Entry	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	Y	X	P	Mean
2018	148	0	0	0	1	1	4	5	10	25	54	46	1	0	0	0	3.2653
2019	101	0	0	0	1	2	6	1	10	13	38	30	0	0	0	0	3.4554
2020	99	0	0	0	0	0	0	6	13	17	31	31	0	0	0	1	3.2929

Number of students who went for higher learning

Year	No.students	Mean score	Mean target	%transition	Comments
2018	148	3.2653	4.000	4%	
2019	101	3.4554	4.000	8.9%	0.1901
2020	99	3.2929	4.000	0%	-0.1625



c)Capacity of the school:

Students	Teachers	Offices	Toilets	Dorms	d/hall	Classrooms	Labs
638	33	6	23	5	1	21	2

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e) Development projects carried out by the school:

Project completed	Source of income	On-going/Status
5 number classrooms	MOE	complete

Sign

EKE

School Principal

PRINCIPAL
CHUMANI SEC. SCHOOL
P. O. Box 122-80108, KILIFI
Date:.....Sign:.....

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2021

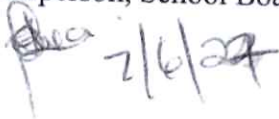
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

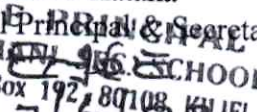
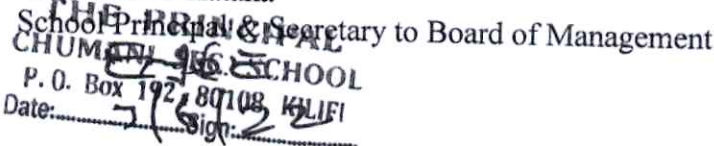

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

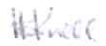
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *Chumani 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, 2021, and of the school's financial position as at that date.

Name: Jannet Chea
Designation: Chairperson, School Board of Management
Sign: 
Date: 2/6/22

Name: Emmanuel J Katana
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 7/6/22

THE PRINCIPAL
CHUMANI SECONDARY SCHOOL
P. O. Box 192, 80108, KILIFI
Date: 7/6/22 Sign: 

Name: Harriet N. Konde
Designation: Bursar/ Finance Officer
Sign: 
Date: 7/6/2022

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON CHUMANI SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - KILIFI 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 Chumani Secondary School - Kilifi County set out on pages 1 to 16, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the six (6) months' 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 Chumani Secondary School – Kilifi County as at 30 June, 2021, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.56,755,796 as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs.49,784,225 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.56,755,796 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Chumani 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.20,892,200 and Kshs.14,428,784 respectively, resulting to an under-funding of Kshs.6,463,415 or 31% of the budget. However, the School spent a balance of Kshs.11,749,135 against actual receipts of Kshs.14,428,784 resulting to an under-utilization of Kshs.2,679,649 or 18.5% of actual receipts.

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

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 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in use of Public Resources section of my report I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

The statement of receipts and payments reflects payments for operations amounting to Kshs.2,798,047 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.225,400 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.225,400 could not be confirmed.

2. Long Outstanding Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.17,463,913 as disclosed in Note 11 to the financial statements. However, included in the balance are trade payables of Kshs.8,704,687 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, the School Management was in breach of the law and there is risk of loss of public funds through litigations, interests and penalties.

3. Failure to Prepare School Improvement Plan

During the year/period under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual

for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three (3) 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 law.

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.3,186,510 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,360,000 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.1,340,000 was transferred to infrastructure account, leaving a balance of Kshs.20,000 as at 30 June, 2021. This was contrary to The Ministry of Education Circular Ref. No: MOE/CONF/G5, 2019 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account thirty (30) days upon receipt of the funds in the operations account.

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

5. Use of Cash to Procure Goods, Works and Services

The statement of receipts and payments reflects total payments amounting to Kshs.19,835,766. A review of the payments revealed that the School incurred Kshs.1,083,500 to purchase goods and services in cash instead of procuring using other suitable methods. This was contrary to second schedule of the Public Procurement and Asset Disposal Regulations, 2020 which caps procurement of low value goods, works and services at Kshs.100,000 per year.

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

6. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.21,154,663 and Kshs.19,835,766 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 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.

7. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 16 May, 2024, instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

REPORT ON 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 governance were not effective.

Basis for Conclusion

1. 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), 2015 which states that, 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.

2. Lack of Ownership Document

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.2,039,000 in respect of fixed assets which includes land with unknown value. However, the school did not provide title deed for audit verification.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the school's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services, and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease its operations. Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 September, 2024

CHUMANI SECONDARY 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	884,199.25	1,192,180.00
Capitation grants for operations	2	3,186,510.00	8,688,750.00
School Fund Income- Parents' Contributions	3	8,496,738.00	7,548,476.00
School Fund Income- Other receipts	4	10,587,216.00	13,927,239.00
TOTAL RECEIPTS		21,154,663.25	31,356,645.00
PAYMENTS			
Payments for Tuition	5	1,298,250.00	805,409.00
Payments for operations	6	2,798,047.00	8,492,139.00
Boarding and school fund payments	7	15,739,469.10	17,566,387.00
TOTAL PAYMENTS		19,835,766.10	26,863,935.00
SURPLUS		1,318,897.15	4,492,710.00

The school financial statements were approved on 7/6/2022 and signed by:

Sign: 
 Name: Christ Ches
 Chairperson BOM

Sign: 
 Name: THE PRINCIPAL
 CHUMANI SEC. SCHOOL
 P. O. BOX 192, KILIFI
 Date: 7/6/2022
 School Principal/
 Secretary to BOM

Sign: 
 Name: Harriet N Konde
 Bursar/
 Finance Officer

Date: 7/6/22

Date: 7/6/22

Date: 7/6/2022

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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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	2,765,568.59	346,833.44
Cash Balances	9	11,121.10	343.10
Total Cash and cash equivalent		2,774,689.69	347,176.54
Account's receivables	10	56,755,796.05	58,175,618.05
TOTAL FINANCIAL ASSETS		59,530,485.74	58,522,794.59
FINANCIAL LIABILITIES			
Accounts Payables	11	17,463,913.00	17,775,119.00
NET FINANCIAL ASSETS		42,066,572.74	40,747,675.59
REPRESENTED BY			
Accumulated Fund b/fwd	12	40,747,675.59	36,254,965.59
Surplus/Deficit for the year		1,318,897.15	4,492,710.00
NET FINANCIAL POSSITION		42,066,572.74	40,747,675.59

The School's financial statements were approved on 7/6 2022 and signed by:

Name: Janet Chica
 Chairperson, BoM
 Sign: [Signature]
 Date: 7/6/22

Name: EHE PRINCE
 School: CHUMANI SEC SCHOOL
 to Bode: Principal/Secretary
 Sign: [Signature]
 Date: 7/6/22

Name: [Signature]
 Bursar/Finance
 Sign: [Signature]
 Date: 7/6/22

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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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 from operating income			
Capitation grants for tuition	1	884,199.25	1,192,180.00
Capitation grants for operations	2	3,186,510.00	8,688,750.00
School fund income- Parents contributions/ fees	3	6,496,738.00	7,548,476.00
School fund income- other receipts	4	10,587,216.00	13,927,239.00
Total receipts		21,154,663.00	31,356,645.00
Payments			
Payments for Tuition	5	1,298,250.00	805,409.00
Payments for operations	6	2,798,047.00	8,492,139.00
Boarding and school fund payments	7	15,739,469.00	17,566,387.00
Total payments		19,835,766.00	26,863,935.00
Net cash flow from operating activities		1,318,897.00	4,492,710.00
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,318,897.00	4,492,710.00
Cash and cash equivalent at BEGINNING of the year		347,176.54	90,713.54
Cash and cash equivalent at END of the year		2,774,689.69	347,176.54

The School's financial statements were approved on 7/6/22 2022 and signed by:

Name: Janet Chea
 Chairperson, BoM
 Sign: [Signature]
 Date: 7/6/22

Name: E.J. KATANA
 School Principal/Secretary
 BoM
 Sign: [Signature]
 Date: 7/6/22

Name: Hannet N. Kouca
 Bursar/Finance
 Sign: [Signature]
 Date: 7/6/2022

CHUMANI SECONDARY SCHOOLS - PUBLIC SECONDARY SCHOOL

Reports and Financial Statements

For a six months period ending 30th June 2021

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR SIX MONTHS 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						
Exercise books	292,250	-	292,250	204,800	87,450	70%
Laboratory equipment	209,300	-	209,300	284,400	-75,100	74%
Internal exams	60,000	-	60,000	60,000	-	100%
Teaching / learning materials	202,100	-	202,100	162,760	39,340	81%
Chalks	35,000	-	35,000	40,000	5,000	114%
Exams and assessment	73,800	-	73,800	72,239.25	1,560.75	98%
Teachers guides	40,000	-	40,000	60,000	20,000	150%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,750,000		1,750,000	1,596,309	153,691	91%
Repairs and maintenance	1,750,000	-	1,750,000	2,378,500	628,500	136%
Local transport / travelling	420,000	-	420,000	458,987	38,987	109%
Electricity and water	700,000	-	700,000	618,955	81,045	88%
Medical	227,500	-	227,500	130,776	96,724	57%
Administration costs	420,000	-	420,000	361,483	58,517	86%
Activity	525,000	-	525,000	-	-	-
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	1,925,000	-	1,925,000	1,286,073	638,927	69%
Repairs and maintenance	700,000	-	700,000	511,767	188,233	73%
Local transport / travelling	367,500	-	367,500	154,060	213,440	42%
Electricity and water	1,575,000	-	1,575,000	1,138,820	436,180	72%

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

For a six months period ending 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
Administration costs	647,500	-	647,500	515,220	132,280	79%
Activity	87,500	-	87,500	54,575	32,925	62%
Boarding Equipment and Stores	8,884,750	-	8,884,750	4,810,855	4,073,895	54%
OTHER INCOME						
Income from Bus Hire	-	-	-	98,000	98,000	-
TOTAL INCOME	20,892,200		20,892,200	14,428,784.25	6,463,415.75	
(1) EXPENDITURE FOR TUITION						
Exercise books	292,250	-	292,250	98,000	194,250	33%
Laboratory equipment	209,300	-	209,300	247,520	38,220	118%
Internal exams	60,000	-	60,000	75,897	15,897	126%
Teaching / learning materials	202,100	-	202,100	520,200	318,100	257%
Chalks	35,000	-	35,000	45,000	10,000	128%
Exams and assessment	73,800	-	73,800	58,000	15,800	78%
Teachers guides	40,000	-	40,000	50,000	10,000	110%
Bank Charges	-	-	-	2,433	-	-
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	1,750,000	-	1,750,000	1,089,408	660,592	62%
Repairs, maintenance & improvements	1,750,000	-	1,750,000	264,510	1,485,490	15%
Local transport / travelling	420,000	-	420,000	293,345	126,655	70%
Electricity, water conservancy	700,000	-	700,000	316,403	383,597	45%
Medical	227,500	-	227,500	69,500	158,000	31%

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL

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For a six months period ending 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
Administration costs	420,000	-	420,000	439,481	19,481	104%
Activity Expenses	525,000	-	525,000	225,400	299,600	43%
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	1,925,000		1,925,000	2,063,687	138,687	107%
Repairs, main/improvements	700,000		700,000	416,385	283,615	59%
Local transport / travelling	367,500		367,500	516,900	149,400	140%
Electricity, water and conserva	1,575,000		1,575,000	1,199,480	375,520	76%
Medical Expenses	-	-	-	68,353	-	-
Administration costs	647,500	-	647,500	412,500.10	235,000	63%
Activity	87,500	-	87,500	155,300	67,800	177%
Boarding Equipment and Stores	8,884,750	-	8,884,750	3,121,433	5,763,317	35%
TOTALS	20,892,200		14,428,784.25	11,749,135.10	2,679,649.15	

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

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

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.

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	204,800	240,130
Laboratory equipment	284,400	449,280
Internal exams	60,000	180,000
Teaching / learning materials	162,760	177,000
Chalks	40,000	59,000
Exams and assessment	72,239.25	53,640
Teachers guides	60,000	32,450
Covid 19	-	680
Total	884,199.25	1,192,180

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,596,309	2,376,922.50
Repairs and maintenance	20,000	340,000
Local transport / travelling	458,987	235,410
Electricity and water	618,955	986,080.50
Medical	130,776	118,000
Administration costs	361,483	556,337
Activity	-	236,000
Bom teachers salary	-	480,000
Infrastructure account	-	3,360,000
Total	3,186,510	8,688,750

3 PARENTS CONTRIBUTION/FEEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,286,073	1,754,162
Repairs and maintenance	511,767	612,255
Local transport / travelling	154,060	270,280
Electricity and water	1,138,820	1,436,461
Bom teachers salary	1,567,293	1,522,245
Administration costs	515,220	648,085
Activity	54,575	61,490
Computer software/hardware	1,268,930	1,243,498
Total	6,496,738	7,548,476

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	4,810,855	10,133,267
P/A	750,715	726,199
Operation account	100,000	-
Income from Posho mill	-	-
Income from Bus Hire	98,000	27,603
Fee for hire of ground and equipment	-	-
Income from grants and donations* bursary	2,469,146	3,040,170
Ifrastucture account	2,358,500	-
Dividends income	-	-
Total	10,587,216	13,927,239

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

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	98,000	326,024
Laboratory equipment	247,520	65,600
Internal exams	75,897	53,932
Teaching / learning materials	520,200	132,000
Chalks	45,000	34,400
Exams and assessment	58,000	40,000
Teachers guides	50,000	50,000
Administration Costs	201,200	100,000
Bank Charges	2,433	3,453
Total	1,298,250	805,409

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,089,408	2,770,817
Service Gratuity	-	245,620
Administration Cost	439,481	408,092
Repairs and maintenance & improvements	264,510	-
Local transport / travelling	293,345	152,300
Electricity and water	316,403	351,070
Medical	69,500	102,000
Activity Expenses	225,400	705,640
School fund account	100,000	-
BOM teachers salary	--	480,000
Infrastructure account	-	3,276,600
TOTAL	2,798,047	8,492,139

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,063,687	2,791,047
Repairs and maintenance & Improvements	416,385	1,246,896
Local transport / travelling	516,900	619,200
Electricity and water	1,199,480,	1,192,338
Medical Expenses	68,353	-
Administration costs	412,500.10	1,645,423
Computer software/hardware	-	326,100
P/A	1,278,080	922,400
Fee on Boarding Equipment and Stores	5,590,508	4,526,925
Activity	155,300	143,475
Bom teachers salary	1,104,780	771,799
Bus hire /insurance	238,787	340,614
Bursary	2,469,146	3,040,170
infrastructure account	225,563	-
TOTAL	15,739,469.10	17,566,387

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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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	1102197971	3,425.50	10,004.25
Operations Account	1102198536	12,572.90	3,209.90
School Fund Account/Boarding	1102193143	485,026.09	219,012.19
Savings Account-Operation	1169897541	19,779.20	19,779.20
Parent Association Development Account	110037365	2,186.10	2,186.10
Infrastructural Account	1259632571	2,207,905.00	59,968.00
Exam savings	110040517	27,682.90	27,682.90
c/money savings	110040546	4,990.90	4,990.90
Total		2,763,568.59	346,833.44

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Operation Account	62.00	77.00
School Fund account	11,059.10	266.10
Total	11,121.10	343.10

CHUMANI SECONDARY SCHOOL-PUBLIC SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS

10 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	56,305,361.05	57,381,415.05
Other non-fees receivables	-	59,968.00
Salary advances	432,435.00	714,235.00
Imprest	18,000.00	20,000.00
Total	56,755,796.05	58,175,618.05

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	3,937,886.00	7,662,158.00
Fees arrears for the previous year	2,583,250.00	5,583,188.00
Fees arrears for prior periods (over two years)	49,784,225.05	44,136,069.05
Total	56,305,361.05	57,381,415.05

11 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	16,658,472.00	17,632,535.00
Prepaid fees	805,441.00	142,584.00
Retention monies	-	-
Total	17,463,913.00	17,775,119.00

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	4,880,065.00	8,914,941.00
Trade creditors for the previous year	3,073,720.00	8,717,594.00
Trade creditors for prior periods (over two years)	8,704,687.00	-
Total	16,658,472.00	17,632,535.00

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NOTES TO THE FINANCIAL STATEMENTS

12 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	346,833.44	87,956.44
Cash balances	343.10	2,757.10
Receivables	58,175,618.05	52,410,836.05
Payables	17,775,119.00	16,246,584.00
Total	40,747,675.59	36,254,965 .59

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XI. 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.

13 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	1	70,000	-
Total		70,000	-

Other important disclosure notes

14 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		-
Stock/ inventory at beginning of the year	2,760	1,700
Stock/ inventory purchased during the year	453,600	450,000
Stock/ inventory issued during the year	(450,000)	(449,400)
Balance at end of the year	6,360	2,300

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XII. 15. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

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XIII. 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 2020-2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
1. Operation account						
T & M Screens	121,700	10/1/2021	-	121,700		
Nakuru rubber stamp	42,150	15/1/2021		42,150	174,793	
Rentokil initial	10,943	15/1/2023		10,943		
2. Tuition account						
Romze enterprises	247,520	5/1/2021		247,520		
Kibaoni stationers	48,000	12/1/2021		48,000		
Pekele books	261,597	23/1/2021		261,597		
Bestbiz	35,000	23/1/2021		35,000	1,071,417	
Hilkath ventures	272,500	20/1/2021		272,500		
Everest business	184,000	14/1/2021		184,000		
Kilifi new face	22,800	3/1/2021		22,800		
3. Boarding account						
Al -mubarak shop	1,106,740	2/1/2021		1,106,740		
Msenangu butchery	554,420	2/1/2021		554,420		
Abas green grocer	231,215	2/1/2021		231,215		
Dreamsliner	171,000	2/1/2022		171,000		
Danmah	183,000	12/2/2021		183,000	3,147,855	
Fastown	86,580	3/2/2021		86,580		
Billsolar	180,000	4/2/2021		180,000		
Ofam auto spares	473,900	3/3/2021		473,000		
Kilifi new face	161,000	5/4/2021		161,000		
Sub-Total	-	-	-	-	-	
Supply of services						
4. Operation account-catch security						
	243,000	1/1/2021	-	243,000	243,000	-
5. Boarding account- catch security						
	243,000	3/3/2021	-	243,000	243,000	
Grand Total	-	-	-		4,880,065	

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XIV. ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1	1997	Roka	donated	-	-	-
Land 2	-		-	-	-	-
Buildings and structures			-	-	-	-
Motor vehicles	2008		2,700,000	-	1,000,000	1,700,000
Office equipment, furniture and fittings	2020		339,000	-	-	339,000
ICT Equipment, and Other ICT Assets			-	-	-	-
Tools and apparatus			-	-	-	-
Textbooks		-	-	-	-	-
Other Machinery and Equipment			-	-	-	-
Heritage and cultural assets		-	-	-	-	-
Intangible assets- soft ware	-		-	-	-	-
Total			3,039,000	-	1,000,000	2,039,000

