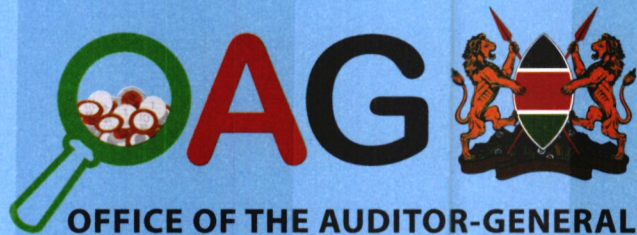


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY PARLIAMENT	
DATE: 08 NOV 2023	DAY: Wednesday
TABLED OF:	Hon. Naomi Wago (Deputy Majority Whip)
CLERK-AT-THE-TABLE:	Modo

**THE AUDITOR-GENERAL**

**ON**

**MWAHIMA SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2021**

**MOMBASA COUNTY**

07 AUG 2023

**RECEIVED**



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**MWAHIMA SECONDARY SCHOOL  
PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> June 2021**

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

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
OFFICE OF THE SECRETARY

MANILA

OFFICE OF THE SECRETARY

OFFICE OF THE SECRETARY

**MWAHIMA SECONDARY SCHOOL**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

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**MWAHIMA SECONDARY SCHOOL**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

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Table of Contents	Page
I. Key School Information And Management.....	iv
II. Summary Report Of Performance Of The School.....	viii
III. Statement Of School Management Responsibility.....	xii
IV. Report Of The Independent Auditors (To be attached).....	xiii
V. Statement Of Receipts And Payments Period To 30 <sup>th</sup> June 2021.....	1
VI. Statement Of Financial Assets And Financial Liabilities As At 30 <sup>th</sup> June 2021 .....	2
VII. Statement Of Cash Flows For The Period Ended 30 <sup>th</sup> June 2021 .....	3
VIII. Statement Of Budgeted Versus Actual Amounts For The Year Ended 30 <sup>th</sup> June 2021.....	5
IX. Significant Accounting Policies.....	9
X. Notes To The Financial Statements .....	11

**PUBLIC SECONDARY SCHOOLS - MWAHIMA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

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**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 Mombasa County, Likoni Sub-County

The school was registered in 01/2016 under registration number **01S30000213** and is currently categorized as a Sub County (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day school and had 534 number of students as at 30<sup>th</sup> June 2021. It has three (3) streams and 22 teachers of which 9 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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Ms. Halima Abuu	Chairperson	9/10/2019
2	Ms. Christine Mukisu	Secretary - Principal	9/10/2019
3	Mr. Meshack Tumaini	Member	9/10/2019
4	Mr. Jaffar Mwazecha	Member	9/10/2019
5	Ms. Masika Salim	Member	9/10/2019
6	Mr. Ali Makoti	Member	9/10/2019
7	Ms. Celestine Naliaka	Member	9/10/2019
8	Mr. Mwakio Alfred	Member – Rep CEB	9/10/2019
9	Ms. Edwina Kalio	Member Rep Teachers	9/10/2019
10	Mr. Suleiman Ngowa	Member - Sponsor	9/10/2019
11	Ms. Juliana Mutheu	Member - Sponsor	9/10/2019
12	Mr. Peter Kyalo	Member - Sponsor	9/10/2019
13	Mr. Mwinyi Mwadzumba	Member - Community	9/10/2019
14	Ms. Emily Achieng	MemberSpecial Needs	9/10/2019
15	Mr. Joel Opinyi	Rep Students	9/10/2019

**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 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	Ms. Halima Abuu Mr. Peter Kyalo Ms. Masika Salim Mr. Said Mahu Mrs. Christine Mukisu	Chairperson P.A Executive Member Member Secretary/ Principal	1
2	Audit Committee	Mr. Suleiman Ngowa Ms. Juliana Mutheu Mr. Hamisi Mwinyikombo Mr. Ali Makoti Ms. Christine Mukisu	Chairperson Member Member Member Secretary	
3	Finance, procurement and general purposes Committee	Ms. Halima Abuu Mr. Said Mahu Mr. Idris Mohamed Ms. Masika Salim Ms. Christine Ndara	Chairperson Member Member Member Secretary	
4	Academic Committee	Ms. Celestine Naliaka Ms. Edwina Kalio Mr. Peter Kyalo Mr. Tumaini Meshack	Chairperson Member Member Member	2
5	Development Committee	Ms. Hannah Chao Mr. Onesmus Makuta Ms. Halima Abuu Mr. Jaffar Mwazecha Mr. Peter Kyalo Ms. Christine Mukisu Mr. Omar Mwazendze	SCDE Chairperson Member Member Member Principal/Member Secretary	

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

<b>Ref:</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
6	<b>Discipline and welfare Committee</b>	Mr. Onesmus Makuta Mr. Jaffar Mwazecha Ms. Emily Achieng Ms. Masika Salim Ms. Christine Mukisu	Chairperson Member Member Member Member	2
7	<b>Adhoc Committee (if any during the year)</b>	Mr. Omar Mwazende Ms. Lydiah Ngomi Mr. John Mukulo Mr. Jefferson Mwachoni	Deputy Principal Bursar Teacher Teacher	1

**(d) School operation Management**

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

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	Ms. Christine Mukisu	336411
2	Deputy Principal	Mr. Omar Mwazendze	312432
3	School Bursar	Ms. Lydiah Ngomi	-

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 96040 - 80110  
Telephone: 0717584534  
E-mail: mwahimasecondary@gmail.com  
Website: www.mwahimasecondary.sc.ke  
Facebook: N/A  
Twitter: N/A

**(f) School Bankers**

The following school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Co-operative Bank  
Branch: Likoni  
Account Number: 01129627619700 (Main Account)
2. Name of Bank: Co-operative Bank  
Branch: Likoni  
Account Number: 01139627619700(Tuition Account)
3. MPESA Pay Bill No. 563131 attached to 01129627619700 bank account
4. Name of Bank: Co-operative Bank  
Branch: Likoni  
Account Number: 01139627619702(Operation Account)
5. Name of Bank: Co-operative Bank  
Branch: Likoni  
Account Number: 01139627619703 (Infrastructure Account)
6. Name of Bank: Co-operative Bank  
Branch: Likoni  
Account Number: 01139627619701(NG – CDF)

**(d) Independent Auditors**

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

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> 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:****(i) Surplus/ deficit for the year and a comparison of the same for the last three years**

S/N	ACCOUNT	2021	2020	2019
1	TUITION ACCOUNT	(128,968.25)	(1,298,716.00)	(375,876.90)
2	OPERATION ACCOUNT	1,858,216.00	(205,572.00)	(223,920.25)
3	MAIN ACCOUNT	1,122,443.00	1,443,289.25	3,362,674.00

**(ii) Capitation grants from the Ministry of Education for the last three years**

S/N	ACCOUNT	2021	2020	2019
1	TUITION ACCOUNT	698,541.75	750,449.00	1,321,936.2
2	OPERATION ACCOUNT	4,374,707.70	5,801,375.00	6,251,235.75

**(iii) Ratio of capitation grant per student over the last three years**

S/N	ACCOUNT	2021	2020	2019
1	TUITION ACCOUNT	1:1301	1:1405	1:3264
2	OPERATION ACCOUNT	1:8192	1:10864	1:15435

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

S/N	ACCOUNT	2021	2020	2019
1.	MAIN ACCOUNT	3,822,852.00	5,032,904.25	9,383,942.00

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

S/N	ACCOUNT	2021	2020	2019
1	TUITION ACCOUNT	395,907.00	2,049,165.00	1,697,813.00
2	OPERATION ACCOUNT	2,516,491.00	6,006,947.00	6,475,156.00
3	MAIN ACCOUNT	2,700,409.00	3,589,615.00	6,021,268.00

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021****(vi) Movement of debtors and creditors of the school over the last three years**

S/N	PARTICULARS	2021	2020	2019
1	DEBTORS	10,574,500.75	10,420,837.75	9,324,374.00
2	CREDITORS	537,416.00	1,580,737.00	1,150,155.00

**(vii) Movement of cash and bank balances over the last three years**

S/N	PARTICULARS	2021	2020	2019
1	CASH ON HAND	85,125.00	55,567.00	2,349.00
2	CASH AT BANK	3,028,814.10	205,384.65	720,963.50

**(viii) Teacher Student ratio:**

1.	Teacher to student ratio	1 Teacher : 41 Students
2.	No. of teachers recruited/posted to the school within the year	2
3.	Number of teachers transferred during the year	Nil
4.	Number of teachers retired during the year	Nil
5.	Number of teachers employed by TSC	13
6.	Number of teachers employed by B.O.M	9
7.	TSC Teachers Subject Allocation;	
	i) KISW/CRE	1
	ii) BIO/AGRI	1
	iii) KISW/GEO	3
	iv) ENG/LIT	2
	v) MATH/CHEM	2
	vi) MATH/PHY	1
	vii) HIST/CRE	1
	viii) KISW/IRE	1
	ix) IRE/ARABIC	1
	<b>NB: The school has a shortage in the following subjects</b>	
	- HIST/KISW	1
	- PHY/ CHEM	1
	- AGRIC/ BIO	1
	- MATHS/BIO	1
	- BST/MATH	2
	- HIST/CRE	1

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

- GEOG/BIO	1
- IRE/KISW	1
- ENG/LIT	2
- BIO/CHEM	1
- IRE/ARABIC	1
- IRE/HIST	1
- GEOG MATHS	1

**b) Mean score in the 2020 KCSE:**

DESCRIPTION	2020	2019	2018
Performance of the school	D	D-	D-
School mean score	2.948	2.457	2.469
No. of students transited to higher learning	15	7	4

**c) Number of Candidates in the 2020 KCSE:**


DESCRIPTION	2020	2019	2018
KCSE Candidates	116	117	66

**d) Capacity of the school:**

S/N	DESCRIPTION	2021
1	Number of students	537
2	Dormitories	Nil
3	Dining Hall	Nil
4	Laboratories; ICT Lab	Nil
	Chemistry/Biology/Physics Lab	1
5	Toilets	17
6	Kitchen	1

**e) Development projects carried out by the school:**

Currently there is no project going on in the school.



*Sign*

*School Principal*

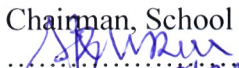
**III. Statement Of School Management Responsibility**

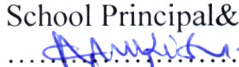
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

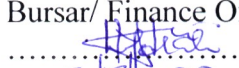
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

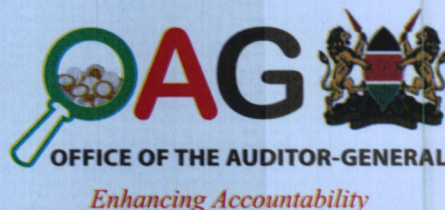
**Name:** MR. BIGVAE MZAE  
**Designation:** Chairman, School Board of Management  
**Sign:**   
**Date:** 2/8/23

**Name:** MS. CHRISTINE MUKISU  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:**   
**Date:** 2/8/23

**Name:** MS. LYDIAH NGOMI  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 2/8/2023

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON MWAHIMA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 - MOMBASA COUNTY**

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 Mwahima Secondary School - Mombasa County set out on pages 1 to 18, which comprise of the statement of financial asset and financial liabilities as at 30 June, 2021, and the statement of receipts and

payments, statement of cash flows, statement of budgeted versus actual amounts for the year ended, and a summary of significant accounting policies and other explanatory notes to the financial 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 Mwahima Secondary School - Mombasa 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, 2015 and the Basic Education Act, 2013 .

### **Basis for Qualified Opinion**

#### **1. Unsupported Cash and Bank Balances**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2443,294 which includes cash balance of Kshs.85,125 and bank balances of Kshs.2,358,169 as disclosed in Notes 8 and 9 to the financial statements respectively. However, the balances were no supported with board of survey certificates and monthly bank reconciliation statements.

In the circumstances, the cash and cash equivalents balance of Kshs.2,443,294 could not be confirmed.

#### **2. Long Outstanding Student Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance in respect of student fees balance of Kshs.9,069,428 as disclosed in Note 11 to the financial statements. Review of the receivables aging analysis revealed a balance of Kshs.6,579,701 has been outstanding for more than two (2) months. In addition, detailed schedules to support the receivable balance was not provided for audit, and no evidence of efforts by Management to recover the outstanding amounts was provided.

In the circumstances, the accuracy, completeness and recoverability of the account receivables of Kshs.9,069,428 could not be confirmed.

#### **3. Inaccuracies in the Financial Statements**

Review of the financial statements revealed unexplained variances between the balances in the statement of receipts and payments and statement of cash flows as detailed in the table below.

<b>Component</b>	<b>Statement of Receipts and Payments (Kshs.)</b>	<b>Statement of Cash Flows (Kshs.)</b>	<b>Variance (Kshs.)</b>
Capitation Grants for Operations	4,374,708	4,524,608	149,900

<b>Component</b>	<b>Statement of Receipts and Payments (Kshs.)</b>	<b>Statement of Cash Flows (Kshs.)</b>	<b>Variance (Kshs.)</b>
School Fund Income - Parent's Contributions	6,695,292	5,022,869	1,672,423
Payments for Tuition	346,932	827,510	480,578
Payments for Operations	2,516,491	2,295,368	221,123
Boarding and School Fund Payments	6,215,083	4,569,190	1,645,893

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

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

### **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 are 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 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. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements**

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing for longer period is due to the adoption of IPSAS for school and the change from calendar year to government fiscal year. In addition, a disclosure note

should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented annual reports and financial statements for the year ending 30 June, 2021 with balances for financial year 2019. Therefore, the financial statements have not been prepared for eighteen (18) months as prescribed by the Public Sector Accounting Standards Board (PSASB).

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to Government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

In the circumstances, Management did not comply with the guidelines issued by the Public Sector Accounting Standards Board.

## **2. Irregular Transfers to Secondary School Heads Association**

During the year under review, the School Management transferred funds totalling Kshs.360,500 to Kenya Secondary School Heads Association (KESSHA), Mombasa County Heads Association and Likoni Secondary Schools' Heads Association which are that are welfare organizations that draw their membership from School Principals only. The associations are not defined in Government funding and are not provided as an expenditure vote subject to Public Finance Management Act, 2012 or any other Public Finance Regulations.

In the circumstances, the school may not have received value for money for the amount of Kshs.360,500 transferred to the Associations.

## **3. Inadequacies in Management of Text Books**

The Ministry of Education through various book distributors delivered books to the school. However, the distribution did not meet the required ratio of one text book per student for each subject. Analysis of the books delivered against the number of students revealed a shortfall of one thousand two hundred and eighty (1,280) text books in some subjects and an oversupply by two hundred and ninety-nine (299) text books in other subjects as at the time of the audit.

In the circumstances, value for money on the excess two hundred and ninety-nine (299) books could not be confirmed, and effective learning may have been affected due to the inadequate text books.

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 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

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 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 the Management is aware of the intention to terminate the School or to cease operations.

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

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 controls 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 School's 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 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 that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

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

I communicate with the 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 that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi


12 October, 2023

**PUBLIC SECONDARY SCHOOLS - MWAHIMA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**V. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2021**

Description Of Vote Head	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Receipts</b>			
Capitation grants for tuition	1	698,541.75	750,449.00
Capitation grants for operations	2	4,374,707.70	5,802,530.00
School Fund Income- Parents' Contributions	3	6,695,292.00	4,696,473.00
School Fund Income- Other receipts	4	2,506.00	18,105.00
Proceeds from borrowings		0	0
<b>Total Receipts</b>		<b>11,771,047.45</b>	<b>11,267,557.00</b>
<b>Payments</b>			
Payments for Tuition	5	346,932.00	1,126,125.00
Payments for operations	6	2,516,491.00	6,586,901.00
Boarding and school fund payments	7	6,215,083.00	4,319,518.00
<b>Total Payments</b>		<b>9,078,506.50</b>	<b>12,032,544.00</b>
<b>Surplus/Deficit</b>		<b>2,692,540.95</b>	<b>(764,987.00)</b>
		<b>11,771,047.45</b>	<b>11,267,557.00</b>

The school financial statements were approved on 30<sup>TH</sup> JUNE 2021 and signed by:

Sign: 

Name BIGVARE MZAF

Chair BOM

Date 2/8/23

Sign: 

Name CHRISTINE MUKISI

School Principal/  
Secretary to BOM

Date 2/8/2023

Sign: 

Name: LIDIA H. GOMI

Bursar/  
Finance Officer

Date 2/8/2023

**MWAHIMA SECONDARY SCHOOL**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

**VI. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2021**

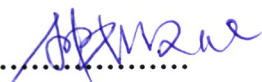
	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	8	2,358,169.10	193,384.65
Cash Balances	9	85,125.00	55,567.00
Short Term Investment	10	0	0
<b>Total Cash And Cash Equivalent</b>		<b><u>2,443,294.10</u></b>	<b><u>248,951.65</u></b>
Account's Receivables	11	9,069,428.00	9,535,457.50
<b>Total Financial Assets</b>		<b><u>11,512,722.10</u></b>	<b><u>9,784,409.15</u></b>
<b>Financial Liabilities</b>			
Accounts Payables	12	(847,260.00)	(1,811,488.00)
<b>Net Financial Assets</b>		<b>10,665,462.10</b>	<b>7,972,921.15</b>
<b>Represented By</b>			
Accumulated Fund B/Fwd	12	7,972,921.15	8,737,908.05
Surplus/Deficit For The Year		2,692,540.95	(764,987.00)
<b>Net Financial Position</b>		<b>10,665,462.10</b>	<b>7,972,921.05</b>

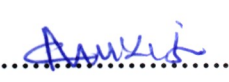
The School's financial statements were approved on 30<sup>TH</sup> JUNE 2021 and signed by:

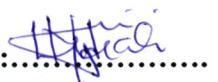
Name: MR. BIGVAE MZAE  
Chairman, BoM

Name: Ms.Christine Mukisi  
School Principal/Secretary BoM

Name:Ms. Lydiah Ngomi  
Bursar/Finance

Sign:   
Date: 2/8/23

Sign:   
Date: 2/8/23

Sign:   
Date: 2/8/2023

**PUBLIC SECONDARY SCHOOLS - MWAHIMA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**VII. Statement Of Cash Flows For The Period Ended 30<sup>th</sup> June 2021**

	2020-2021	2019-2020
	Kshs	Kshs
<b>Receipts for operating income</b>		
Capitation grants for tuition	698,541.75	750,449.00
Capitation grants for operations	4,524,609.70	4,310,611.00
School fund income- Parents contributions/ fees	5,022,869.00	5,389,959.50
School fund income- other receipts	-	-
<b>Total receipts</b>	<b>10,246,020.45</b>	<b>10,451,019.50</b>
<b>Payments</b>		
Payments for Tuition	827,510.00	738,428.00
Payments for operations	2,295,368.00	4,291,283.00
Boarding and school fund payments	4,569,190.00	5,327,137.00
<b>Total payments</b>	<b>7,692,068.00</b>	<b>10,356,848.00</b>
<b>Net cash flow from operating activities</b>	<b>2,553,952.45</b>	<b>94,171.50</b>
<b>Cashflow From Investing Activities</b>		
<b>Receipts from Investing Activities</b>		
Proceeds from Sale of Assets	-	-
Maintenance and Improvement		1,709,050.00
Proceeds from investments	-	-
<b>Total receipts</b>		<b>1,709,050.00</b>
<b>Payments from Investing Activities</b>		
Maintenance & Improvement	(359,610.00)	(2,273,549.00)
Purchase of investments	-	-
<b>Total Payments</b>	<b>(359,610.00)</b>	<b>(2,273,549.00)</b>
<b>Net cash flows from Investing Activities</b>	<b>(359,610.00)</b>	<b>(2,273,549.00)</b>
<b>Cashflow From Borrowing Activities</b>		
Proceeds from borrowings/ loans	-	-
Repayment of principal borrowings	-	-
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase In Cash And Cash Equivalents</b>	<b>2,194,342.45</b>	<b>(470,327.40)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>248,951.65</b>	<b>719,279.05</b>
<b>Cash and cash equivalent at END of the year</b>	<b>2,443,294.10</b>	<b>248,951.65</b>

*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 cashflow as recommended by PSASB.*

**PUBLIC SECONDARY SCHOOLS - MWAHIMA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**VIII. Statement Of Budgeted Versus Actual Amounts For The Year Ended 30<sup>th</sup> June 2021**

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks and reference materials	45,000.00	0	45,000.00			0%
Exercise books	100,000.00	0	100,000.00			
Laboratory equipment	269,590.00	0	269,590.00			
Internal exams	69,600.00	0	69,600.00			
Teaching / learning materials	616,043.00	0	616,043.00	698,541.75	(82,498.75)	113%
Chalks						
Exams and assessment						
Teachers guides						
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	1,046,514.00	-	1,046,514.00	1,483,412.7	436,898.70	141%
Repairs and maintenance	1,327,500.00	-	1,327,500.00	1068,000.00	259500	113%
Local transport / travelling	267,750.00	-	267,750.00	486,661.5	218,911.5	181%
Electricity and water	180,000.00	-	180,000.00	333,468.00	153,468.00	185%
Medical	172,575.00	-	172,575.00	-	-	-
Administration costs	603,186.72	-	603186.72	571,090.5	(32,096.22)	94%
Activity	398,250.00	-	398,250.00	-	-	-
Gratuity						
SMASSE						

**MWAHIMA SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Receipts/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/e % Kshs
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	1,685,925.00	-	1,685,925.00	413,377.00	(1,272,548.00)	32.5%
Administration costs	-	-	-	-	-	-
Lunch	3,451,500.00	-	3,451,500.00	1,073,412.00	(2,378,088.00)	31%
SMASSE						
Fee on Boarding Equipment and Stores						
<b>OTHER INCOME</b>						
Fee for hire of ground and equipment	-	-	-	-	-	-
Tender						
Income from any other investment	-	-	-	-	-	-
<b>TOTAL INCOME</b>	<b>10,233,433.72</b>		<b>10,233,433.72</b>	<b>6,127,963.45</b>		
Textbooks and reference materials	45,000.00	-	45,000.00	-	-	-
Exercise books	100,000.00	-	100,000.00	-	-	-
Laboratory equipment	269,590.00	-	269,590.00	-	-	-
Internal exams	69,600.00	-	69,600.00	-	-	-
Teaching / learning materials	616,043.00	-	616,043.00	827,510.00	(211,467.00)	134%
Chalks	-	-	-	-		
Exams and assessment	-	-	-	-		
Teachers guides	-	-	-	-		
Administration costs	-	-	-	-		
Bank Charges	-	-	-	360.00		

**MWAHIMA SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Receipt/expenses Item	Original Budget a K.shs	Adjustments b K.shs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d K.shs	% of Utilization f=d/c % K.shs
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	1,046,514.00		1,046,514.00	1,021,967.00	24,547.00	98%
Repairs, maintenance & improvements	1,327,500.00		1,327,500.00	359,610.00	967,890.00	27%
Local transport / travelling	267,750.00		267,750.00	202,110.00	65,640.00	75%
Electricity, water and conservancy	180,000.00		180,000.00	153,024.00	26,976.00	85%
Medical	172,575.00		172,575.00			
Administration costs	603,186.72		603,187.00	688,760.00	(85,573.00)	114%
Activity Expenses	398,250.00		398,250.00	79,900.00	-(79,900)	
Gratuity						
SMASSE						
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments	1,685,925.00		1,685,925.00	1,546,440.00	139,485.00	91.7%
Repairs, maintenance and improvements						
Local transport / travelling						
Electricity, water and conservancy						
Medical Expenses						
Administration costs						
Activity						
Gratuity						
Lunch programme	3,451,500.00		3,451,500.00	1,111,969.00	2,339,531.00	32%
Boarding Equipment and Stores						
Expenditure for Income						

**MWAHIMA SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Generating Activity						
Insurance costs	-	-	-	-	-	
Other expenses on investments	-	-	-	-	-	
Rent Expenses	-	-	-	-	-	
Bank Charges	-	-	-	-	-	
Loan Interest Repayment	-	-	-	-	-	
Loan Principal Repayment	-	-	-	-	-	
Acquisition of Assets	-	-	-	-	-	
<b>TOTALS</b>	<b>10,233,433.72</b>		<b>10,233,433.72</b>	<b>5,991,650.00</b>		<b>-</b>

**i. OVERUTILISATION**

The voteheads had deficit depending on the FDSE funding percentage ratios in relation to the budget.

**ii. UNDERUTILISATION**

The underutilisation was informed by the priority areas in other voteheads that borrowed from the underutilised voteheads.

**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 (Continued)**

**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 30<sup>th</sup> June 2021.

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021****X. Notes To The Financial Statements****1 Capitation Grant For Tuition**

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	698,541.75	750,449.00
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials		
Chalks		
Exams and assessment		
Teachers guides		
<b>Total</b>	<b>698,541.75</b>	<b>750,449.00</b>

**2 Capitation Grant For Operations**

	2020-2021	2019-2020
	Kshs	Kshs
Others	746,291.70	3,309,375.00
Repairs and maintenance	1,068,000.00	1,709,050.00
Insurance ( Medical)		81,000.00
BOM Teachers	-	540,000.00
MOE - FDSE	2,560,416.00	1,105.00
Administration costs	-	
Activity	-	162,000.00
<b>Total</b>	<b>4,374,707.70</b>	<b>5,802,530.00</b>

**3 Parents Contribution/Fees - School Fund Account**

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	413,377.00	481,984.00
Repairs and maintenance		
Arrears		
Electricity and water		
Operation Account		
Administration costs		
Lunch	6,281,915.00	4,214,489.00
<b>Total</b>	<b>6,695,292.00</b>	<b>4,696,473.00</b>

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021****Notes To The Financial Statements (Continued)****4 Other Receipts – School Fund Account**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores		
Tender fees		17,000.00
Income from farming activities		
Insurance compensation		
Income from Posho mill		
Income from Bus Hire		
Fee for hire of ground and equipment		
Income from grants and donations*		
Text book recovery	2,506.00	
Beaker replacement		1,105.00
<b>Total</b>	<b>2,506.00</b>	<b>18,105.00</b>

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

**5 Payments For Tuition**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials		
Exercise books		
Laboratory equipment	102,122.00	887,697.00
Internal exams		
Teaching / learning materials	244,450.00	238,188.00
Chalks	-	
Exams and assessment	-	
Teachers guides	-	
Administration Costs		
Bank Charges	360.00	240.00
<b>Total</b>	<b>346,932.00</b>	<b>1,126,125.00</b>

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021****6 Payments For Operations**

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,021,967.00	2,062,413.00
B.O.M Teachers	-	540,000.00
Administration Cost	688,760.00	1,198,905.00
Repairs and maintenance & improvements	359,610.00	
Local transport / travelling	202,110.00	252,850.00
Electricity and water	153,024.00	227,184.00
Medical	10,340.00	6,460.00
Activity Expenses	79,900.00	18,080.00
SMASSE		
Insurance Cost		
Bank Charges	780.00	74,600.00
Acquisition of Assets		2,273,549.00
<b>TOTAL</b>	<b>2,516,491.00</b>	<b>6,586,901.00</b>

**7 Boarding And School Fund Payments**

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,476,381.00	2,340,402.00
Service Gratuity		
Repairs and maintenance & Improvements		520,852.00
Local transport / travelling		
Electricity and water		
Tender		16,000.00
Administration costs	405,675.00	
Lunch Programme	3,311,447.50	1,414,486.00
Bank Charges	21,580.00	27,778.00
Expenses on Income Generating Activities		
Fee on Boarding Equipment and Stores		
Arrears		
Insurance Cost (Life Property)		
Loan Principal repayment		
Creditors		
<b>TOTAL</b>	<b>6,215,083.50</b>	<b>4,319,518.00</b>

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.

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021****Notes To The Financial Statements (Continued)****8 Bank Accounts**

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	01139627619700	4,781.85	53,750.10
Operations Account	01139627619702	696,202.15	41,528.45
School Fund Account/Boarding	01129627619700	441,266.10	68,487.10
Savings Account	-	-	-
Parent Association Development Account	-	-	-
Income generating activities Account	-	-	-
Infrastructural Account	01139627619703	1,215,919.00	29,619.00
NG – CDF Account			
<b>Total</b>		<b>2,358,169.10</b>	<b>193,384.65</b>

**9 Cash In Hand**

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	38,531.00	1,463.00
School Fund account	44,428.00	53,528.00
Infrastructure Account	2,166.00	576.00
<b>Total</b>	<b>85,125.00</b>	<b>55,567.00</b>

**10 Short Term Investments**

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	0	0
Treasury Bills	0	0
Fixed deposit	0	0
Equity stock	0	0
Other investments	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## Notes To The Financial Statements (Continued)

## 11 Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	9,069,427.00	9,535,457.50
Other non-fees receivables	-	
Salary advances	-	
Imprest	-	
NSSF	1.00	
<b>Total</b>	<b>9,069,428.00</b>	<b>9,535,457.50</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	2,489,726.00	2,041,511.75
Fees arrears for the previous year		2,490,567.25
Fees arrears for prior periods (over two years)	6,579,701.00	5,003,378.50
<b>Total</b>	<b>9,069,427.00</b>	<b>9,535,457.50</b>

## 12 Accounts Payable

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	494,859.00	1,580,737.00
Prepaid fees	338,286.00	229,051.00
Retention monies		
Advances	11,500.00	
NHIF	1700.00	1700.00
PAYE	915.00	
CAUTION	-	
<b>Total</b>	<b>847,260.00</b>	<b>1,811,488.00</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	281,222.00	1,580,737.00
Trade creditors for the previous year	213,637.00	-
Trade creditors for prior periods (over two years)	-	
<b>Total</b>	<b>494,859.00</b>	<b>1,580,737.00</b>

## Notes To The Financial Statements (Continued)

## 13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	193,384.65	716,830.00
Cash balances	55,567.00	2,449.00
Short Term Investments		
Receivables	9,535,457.50	9,329,374.00
Payables	(1,811,488.00)	(1,310,745.00)
<b>Total</b>	<b>7,972,921.15</b>	<b>8,737,908.05</b>

## 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	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		0	0
Goats		0	0
Trees		0	0
Coffee or tea plantation		0	0
Poultry		0	0
<b>Total</b>		<b>0</b>	<b>0</b>

**MWAHIMA SECONDARY SCHOOL****Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

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**16 Borrowings**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>a) Borrowings</b>		
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	0	0
<b>Balance at end of the year</b>	<b>0</b>	<b>0</b>

**Other important disclosure notes****17 Stock/ Inventory**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>b) Borrowings</b>	-	-
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>

**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.

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

**PUBLIC SECONDARY SCHOOLS - MWAHIMA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**ANNEX 1 - Analysis Of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To-Date c Kshs	Outstanding Balance 20XX d=a-c Kshs	Outstanding Balance 20XX-1 Kshs	Comments
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**PUBLIC SECONDARY SCHOOLS - MWAHIMA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**ANNEX 2 – Summary Of Fixed Assets Register**

Asset class	Date purchased	Quantity	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 20xx
Land 1	-			-	-	-	-
Land 2	-	-	-	-	-	-	-
Buildings and structures	-			-	-	-	-
Motor vehicles	-	-	-	-	-	-	-
Office equipment, furniture and fitting	2018	438pcs	Classes	-	-	-	-
Lockers	2018	30pcs	Principal/D/Principal/Secretary	-	5pcs-	-	-
Office Tables	2018	34pcs	/Accounts/stores/lab/staffroom.	-	10pcs	1-	-
Office Chairs			Principal's office & staffroom	-		-	-
Bookshelves	2019	3pcs	Library	-	-	-	-
Whiteboards	2020	9pcs	Classrooms/ lab	-	-	3pcs	-
Portable whiteboards	2020	3pcs	Stores	-	1pc	-	-
Grid boards	2020	9pcs	Classrooms/lab	-	-	-	-
Talking walls	2020	3pcs	Class walls	-	-	-	-

**MWAHIMA SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Asset class	Date purchased	Quantity	Location	Historical Cost b/f 1 <sup>st</sup> July 20xx (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f 30 <sup>th</sup> June 20xx (Kshs)
ICT Equipment, and Other ICT Assets	2018	4 pcs	Accounts, Secretary's, Dean of Studies and Deputy's offices	-	4 pcs	2 pcs	-
HP Desktops	2018	1 pc	Dean of studies.	-	-	-	-
Riso CZ100 Projector	2019	1 pc (Donation)	Stores.	-	-	-	-
Safaricom Router	2021	1 pc	Dean of studies.	-	-	-	-
Radio	2018	1 pc	Stores.	-	-	-	-
Woofers	2019	1 pc	Stores	-	-	-	-
TP Link 24 ports switch	2021	1 pc	Dean of studies	-	-	2 pcs	-
HP laptops	2018	2 pcs	ICT personnel & Secretary's	-	-	-	-
Epson Printers	2018	3 pcs	Account's & Secretary's offices.	-	1 pc	-	-
Kyocera Task alfa Samsung Tablets	2021	-	Principal's offices.	-	-	-	-
Flash disk	2019	5 pcs	Stores.	-	-	-	-
Mercury UPS	2018	1 pc (Donation)	ICT personnel.	-	2 pcs	-	-
Transcend 1TB hard disk	2018	1 pc	Account's, Secretary's, Dean of studies & Deputy's offices.	-	4 pcs	-	-
Phone	2019	1 pc	ICT personnel.	-	-	-	-
Power Extensions	2018	5 pcs	Accounts office.	-	2 pcs	-	-
			Principal's, Deputy's, Secretary's, Dean of studies, Accounts	-	-	1 pc	-

**MWAHIMA SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Asset class	Date purchased	Quantity	Location	Historical Cost b/f 1 <sup>st</sup> July 20xx (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f 30 <sup>th</sup> June 20xx (Kshs)
Tv Screen	2019	1 pc	Principal's office	-	-	-	-
Hikvision DVR	2019	1 pc	Principal's office	-	1 pc	-	-
CCTV Camera's	2019	20 pcs	Distributed in strategic places within the school compound.	-	-	-	-
CCTV Camera's	2019	1 pc	Principal's office	-	-	-	-
CCTV Camera's Power supply	2020	3 pcs	Accounts & secretary's offices.	-	-	-	-
USB extenders & adaptors.							
			-	-	-	-	-
<b>Intangible assets- software</b>							
Exam Software (Zeraki)	2019	1	Dean of studies	-	-	-	-
Finance software (Schacces)	2020	1	Account's office	-	-	-	-
Exam Analysis software (Academico)	2018	1	Secretary's office	-	-	1	-
Timetabling software (asc Timetables)	2018	1	Secretary's office	-	-	-	-

**MWAHIMA SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Textbooks:	Year	Quantity	Location	Value	Quantity	Value
Biology	2018	812 Books	Stores & library	-	453 Books	-
Physics	2018	669 Books	Stores	-	348 Books	-
Chemistry	2018	963 books	Stores	-	477 Books	-
Mathematics	2018	715 Books	Stores	-	324 Books	-
English	2018	963 Books	Stores	-	471 Books	-
Kiswahili	2018	854 Books	Stores	-	471 Books	-
Geography	2018	27 Books	Stores	-	397 Books	-
History	2018	378 Books	Stores	-	492 Books	-
Islamic Religious Education	2018	259 Books	Stores	-	110 Books	-
Christian Religious Education	2018	411 Books	Stores	-	360 Books	-
Education	2018	436 Books	Stores	-	25 Books	-
Agriculture	2018	352 Books	Stores	-	264 Books	-
Business Studies	2018	150 Books	Stores	-	-	-
Four Figure Elementary	2018	3 Books	Stores	-	286 Books	-
Maths Table	2018	3 Books	Stores	-	286 Books	-
Chozi la Heri	2018	3 Books	Stores	-	286 Books	-
Doll's House	2018	3 Books	Stores	-	286 Books	-
Kigogo	2018	3 Books	Stores	-	286 Books	-
The pearl	2018	3 Books	Stores	-	286 Books	-
Inheritance	2018	3books	Stores	-	135 Books	-
Tumbo Lisiloshiba	2018	-	Stores	-	10pcs	-
Blossoms of Savannah	2018	-	Stores	-	66pcs	-
Revision Materials (C.R.E)	2018	-	Stores	-	6pcs	-
Pamphlets (All subjects except Arabic)	2018	4 pcs	Stores	-	-	-
I.R.E Pamphlets	2018	5pcs	Stores	-	-	-
K. C.S.E Report Booklets	2018	10 Books	Stores	-	-	-
K.C.S.E Mirror Chemistry Arabic	2018	-	Stores	-	-	-

**MWAHIMA SECONDARY SCHOOL**  
***Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2021***

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