

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



THE NATIONAL ASSEMBLY	
PAPERS LAID	
REPORT	
DATE: 30 NOV 2023	DAY: <i>THURS</i>
TABLED BY: <i>Hon Naomi Wago, MP</i>	<i>Deputy Mgonyi Winy</i>
CLERK AT THE TABLE: <i>A. Shikuku</i>	

PARLIAMENT OF KENYA LIBRARY

THE AUDITOR-GENERAL

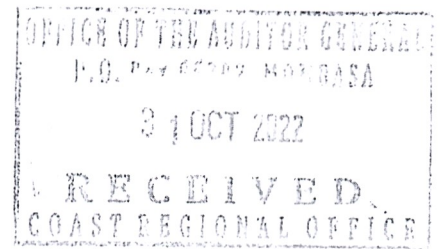
ON

DUNGICHA SECONDARY SCHOOL

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

KILIFI COUNTY

Revised 30th June 2021



DUNGICHA SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2021

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

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.....	6
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	10
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF DUNGICHA SECONDARY SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	11
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021	12
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021	15
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	17
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021.....	18
IX. SIGNIFICANT ACCOUNTING POLICIES	22
X. NOTES TO THE FINANCIAL STATEMENTS.....	24

DUNGICHA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

1. 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, Ganze Sub-County

The school was registered in 12/9/2013 under registration number PU/S/2/9207/13 and is currently categorized as a Sub County public Secondary school established, owned or operated by the Government.

The school is a day school and had 450 number of students as at 30th June 2021. It has 1 stream and 18 teachers of which 6 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	REUBEN SHUKURU KATITE	Chairman	1st August,2019
2	DUME P KAI	Secretary - Principal	"
3	ALEX PUGA	Member	"
4	JAMES MASHA	Member	"
5	MRAMBA MWENI	Member	"
6	DAVID KOMBE	Member	"
7	WILFRED BAYA	Member	"
8	ESTHER NZARO	Member	"
9	RASHID MJIMBA KHAMIS	Member – Rep CEB	"
10	DANIEL WANJALA	Member Rep Teachers	"
11	SOPHIA BURNS CHOKWE	3 Members - Sponsor	"
12	AMBROSE TINGA	"	"
13	MRAMBA BOKOLE	"	"
14	DORCAS BIRYA FONDO	Member - Community	"
15	SOPHIA BURNS CHOKWE	MemberSpecial Needs	"
16	FATUMA DANA	Rep Students	"

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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	1.REUBEN KATITE 2.DUME KAI 3.DORCAS BIRYA 4.SOPHIA BURNS 5.MRAMBA MWENI	CHAIRMAN MEMBER MEMBER MEMBER MEMBER	1/3
2	Audit Committee	1.DAVID KOMBE 2.HARRISON MWANGO 3 DORCAS BIRYA	CHAIRMAN MEMBER MEMBER	1/3
3	Finance,procurement and general purposes Committee	1.DAVID KOMBE 2.HARRISON MWANGO 3.DORCAS BIRYA	CHAIRMAN MEMBER MEMBER	1/3
4	Academic Committee	1.WILFRED KENGA 2.ALEX MWALUNGO 3.DANIEL WANJALA	CHAIRMAN MEMBER MEMBER	1/3
5	Development Committee	1,DORCAS BIRYA 2,REUBEN KATITE 3,MRAMBA BOKOLE 4,HARRISON MWANGO	CHAIMAN MEMBER MEMBER MEMBER	1/3
6	Discipline and welfare Committee	1,DAVID KOMBE 2,DANIEL WANJALA 3,REUBEN KATITE	CHAIMAN MEMBER MEMBER	1/3
7	Adhoc Committee (if any during the year)	-		-

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

(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	DUME P KAI	364256
2	Deputy Principal	AMBROSE TINGA	337105
3	School Bursar	JOYCE CHULA	N/A

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 1514-80108 KILIFI
Telephone: 0717130140
E-mail: secdungicha@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks:

1. Name of Bank: KCB
Branch: KILIFI
Account Number: 1133206220
2. Name of Bank: KCB
Branch: KILIFI
Account Number: 1128541491
3. Name of Bank: KCB
Branch: KILIFI
Account Number: 1128541734
4. Name of Bank: KCB
Branch: KILIFI
Account Number: 1136005668

- 5. Independent Auditors**
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

- *Surplus/ deficit for the year and a comparison of the same for the last three years*

<i>YEAR</i>	<i>SURPLUS/DEFICIT</i>
<i>2021</i>	<i>SURPLUS 5133890.80</i>
<i>2020</i>	<i>SURPLUS 2,060563</i>
<i>2019</i>	<i>DEFICIT 933668.90</i>

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

<i>YEAR</i>	<i>ACCOUNTS</i>	<i>CAPITATION GRANTS</i>
<i>2021</i>	<i>OPERATION</i>	<i>2,968,455.30</i>
	<i>TUTION</i>	<i>633,136.50</i>
<i>TOTAL</i>		<i>3,601,591.80</i>
<i>2020</i>	<i>OPERATION</i>	<i>5366400</i>
	<i>TUTION</i>	<i>788,586</i>
<i>TOTAL</i>		<i>6,154986</i>
<i>2019</i>	<i>OPERATION</i>	<i>6266670.90</i>
	<i>TUTION</i>	<i>1,325,199.73</i>
<i>TOTAL</i>		<i>7,591,870.63</i>

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

<i>YEAR</i>	<i>ENROLMENT</i>	<i>RATIO</i>
<i>2021</i>	<i>450</i>	<i>1:8003</i>
<i>2020</i>	<i>390</i>	<i>1:15782</i>
<i>2019</i>	<i>345</i>	<i>1:22005</i>

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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

YEAR	OTHER INCOME EARNED BY THE SCHHOOOL
2021	8,000
2020	8,000
2019	47,000

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

YEAR	EXPENDITURE BY THE SCHHOOOL
2021	7,378,833
2020	14,327,752
2019	14,929,340.90

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

YEAR	DEBTORS	CREDITORS
2021	4133400	1970345
2020	4379067	2170865
2019	3769366	883614

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

YEAR	CASH ON HAND	CASH AT BANK
2021	7,776.73	2,320,748.40
2020	706.73	5875.60
2019	466.73	19,364.60

b) Teacher Student ratio

<i>TEACHER-STUDENT RATIO</i>	<i>35:1</i>
<i>TEACHER RECRUITED WITHIN THE YEAR 2021</i>	<i>0</i>
<i>TEACHER TRANSFERRED</i>	<i>0</i>
<i>BOM TEACHERS</i>	<i>8</i>
<i>SHORTAGES OF TEACHERS</i>	<i>8</i>

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NUMBER OF TSC TEACHERS PER SUBJECT

SUBJECTS	NUMBER OF TEACHERS
ENGLISH	1
KISWAHILI	1
MATHS	2
BIOLOGY	2
CHEMISTRY	1
PHYSICS	1
HISTORY	1
GEOGRAPHY	1
CRE	2
IRE	0
AGRICULTURE	1
B/STUDIES	1

c) Mean score in the 2021 KCSE:

YEAR	ENTRY	A	A-	B	B	B-	C+	C	C-	D+	D	D-	E	X	2021	2020	2019
2021	60	0	0	0	0	1	3	0	7	14	35	0	0	0	3.633	3.111	3.333
2020	54	0	0	0	2	0	1	1	7	3	9	31	0	0	-	3.111	3.333
2019	33	0	0	0	2	1	2	0	9	8	11	0	0	0	-	-	3.333

YEAR	TARGET	MEAN SCORE	INSTITUTION OF HIGHER LERNING	COMMENT
2021	4.0	3.633	4	TARGET NOT MET
2020	3.7	3.111	3	TARGET NOT MET
2019	3.9	3.333	5	TARGET NOT MET

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

d) Number of Candidates in the 2021 KCSE:

YEAR	2021	2020	2019
ENTRY	60	54	33

d) Capacity of the school:

NUMBER OF STUDENTS 2021 IN THE SCHOOL: 450

FACILITY	NUMBER
CLASS ROOMS	11
LABORATORIES	1
TOILETS	BOYS- 7 GIRLS - 7 TEACHERS - 3
DINING HALL	0
LIBRARY	0
PLAY GROUNDS	FOOTBALL - 01 VOLLEYBALL - 02
DOMITORY	0

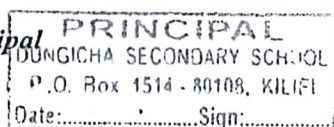
e) Development projects carried out by the school:

YEAR	PROJECT	STATUS	SOURCE
2021	3 NO CLASSROOMS	COMPLETE	MOEST

Sign



School Principal



DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

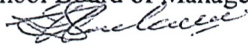
II. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

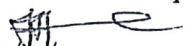
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

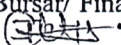
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *DUNGICHA 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.

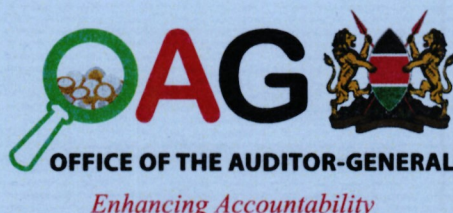
Name: REUBEN SHUKURU KATITE
Designation: Chairman, School Board of Management
Sign: 
Date: 25/10/2022

Name: DUME P KAI
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 25/10/22

Name: JOYCE CHULA
Designation: Bursar/ Finance Officer
Sign: 
Date: 25/10/2022

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 DUNGICHA SECONDARY SCHOOL FOR THE YEAR 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 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 control, 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 of the Auditor-General on the Financial Statements of Dungicha Secondary School for the year ended 30 June 2021– Kilifi County

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Dungicha Secondary School – Kilifi County set out on pages 12 to 35 which comprise of the statement of receipts and payments as at 30 June, 2021 and the statement of financial assets and financial liabilities, statement of cash flows and the statement of budgeted verses actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory notes 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 Dungicha Secondary School – Kilifi County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Variances in the Financial Statements

The statement of receipts and payments reflects various amounts that differ with the amounts reflected in the statement of cash flows resulting in unexplained and unreconciled variances as shown below;

Component	Statement of Receipts and Payments Amount (Kshs)	Statement of Cash Flows Amount (Kshs)	Variance (Kshs)
School fund income- Parents contribution	8,759,475	5,088,915	3,670,560
School fund income- Other Receipts	8,000	-	8,000
Payments for tuition	1,028,575	630,990	397,585
Payments for operations	2,403,665	2,366,165	37,500
Boarding and school fund payments	4,802,686	4,381,426	421,260
Payments for infrastructure	252	-	252

Report of the Auditor-General on the Financial Statements of Dungicha Secondary School for the year ended 30 June 2021– Kilifi County

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

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects a cash and cash equivalents balance of Kshs.2,328,525 which includes bank balances of Kshs.2,320,748 and cash balances of Kshs.7,776 as disclosed in Notes 10 and 11 to the financial statements. However, no board of survey report was provided for audit to confirm the cash balances.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.2,328,525 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Dungicha 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 were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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 the annual report and financial statements covering only one year for financial year 2020-2021. Therefore, the financial statements have not been prepared for eighteen-months (18) 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, the financial statements have not been prepared in accordance with the recommended reporting template and guidelines issued by the Public Sector Accounting Standards Board.

2. Irregularities in Procurement of Goods and Services

Review of records at the School revealed that the Management paid a total of Kshs.3,011,555 to various suppliers for the supply of various goods and services during the year. However, the following anomalies were noted in the procurement processes:

- i. There was no evidence of requisitions being submitted to head of procurement for procurement initiation as provided in Regulation 71(1) of the Public Procurement and Assets Disposal Regulations, 2020 which states that the head of the user department shall initiate the procurement through a requisition as per the approved procurement plan.

- ii. There was no evidence of a register for registered suppliers as required by section 57(1) of the Public Procurement and Asset Disposal Act, 2015.
- iii. There was no tender evaluation to deal with eligibility and capability of the bidder as required under Section 46 of the Public Procurement and Asset Disposal Act, 2015.
- iv. No contracts were signed and executed as per Section 135(1) of the Public Procurement and Asset Disposal Act, 2015 which provides that the existence of a contract shall be confirmed through the signature of a contract document incorporating all agreements between the parties.
- v. No inspection and acceptance of goods was carried out as stipulated in Section 48(1) of the Public Procurement and Asset Disposal Act, 2015, which states that the Accounting Officer of a procuring entity may establish an adhoc committee known as the inspection and acceptance committee.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Inadequate Board Committee Meetings

Review of full Board of Management minutes revealed that the Board held only one meeting on 12 May, 2022. Further, review of the Board of Management records shows

that there are six (6) sub committees. However, the sub committees had not met since their establishment thus hindering service delivery to the school.

In the circumstances, decision-making may have been hindered which eventually could affect the smooth operations of the school.

2. Lack of an Imprest Register

Review of records at the School revealed that imprests amounting to Kshs.140,400 were issued to various officers to undertake various activities away from the work station. However, the imprests were not recorded in the imprest register.

In the circumstances, the effectiveness of the internal controls on the management of the imprests 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 governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate the School or 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls 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 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 sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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, SBS
AUDITOR-GENERAL

Nairobi

09 October, 2023

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

IV. 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	633136.50	788,586.00
Capitation grants for operations	2	3,968,457.30	5,366,400.00
School Fund Income- Parents' Contributions	3	8,759,475.00	8,078,382.00
School Fund Income- Other receipts	4	8,000.00	8,000.00
Grant for Infrastructure Account	5	-	-
Proceeds from borrowings		-	-
TOTAL RECEIPTS		13,369,068.80	14,241,368.00
PAYMENTS			
Payments for Tuition	6	1,028,575.00	867,085.00
Payments for operations	7	2,403,665.00	5,374,285.00
Boarding and school fund payments	8	4,802,686.00	5,939,435.00
Payments for Infrastructure	9	252.00	-
TOTAL PAYMENTS		8,235,178.00	12,180,805.00
SURPLUS/DEFICIT		5,133,890.80	2,060,563.00

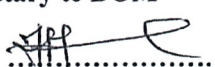
The school financial statements were approved on 25/10/2022 and signed by:

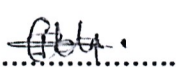
Name **REUBEN KATITE**
Chair BOM

DUME P KAI
School Principal/
Secretary to BOM

JOYCE CHULA
Bursar/ Finance Officer

Sign: 

Sign: 

Sign: 

Date: 25/10/22

Date: 25/10/22

Date: 25/10/2022

DUNGICHA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

DUNGICHA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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


	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	2,320,748.40	5,876.00
Cash Balances	11	7,776.73	707.00
Short term Investment	12	-	-
Total Cash and cash equivalent		2,328,525.13	6,582.00
Account's receivables	13	12,053,439	9,374,631.00
TOTAL FINANCIAL ASSETS		14,381,964	9,381,213.33
FINANCIAL LIABILITIES			
Accounts Payables	14	2,500,174	3,371,680.00
NET FINANCIAL ASSETS		11,881,790	6,009,533.00
REPRESENTED BY			
Accumulated Fund b/fwd	15	6,747,899.60	3,948,970.00
Surplus/Deficit for the year		5,133,891	2,060,563.00
NET FINANCIAL POSSITION		11,881,790.40	6,009,533.00

The School's financial statements were approved on 25/10 /2022 and signed by:

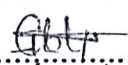
Name **REUBEN KATITE**
Chair BOM

Sign: 
Date: 25/10/22

Name **DUME P KAI**
School Principal/
Secretary to BOM

Sign: 
Date: 25/10/22

Name **JOYCE CHULA**
Bursar/ Finance Officer

Sign: 
Date: 25/10/2022

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

VI.

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	633,136.50	788,586.00
Capitation grants for operations	2	3,968,457.30	4,577,814.00
School fund income- Parents contributions/ fees	3	5,088,915.00	7045186.00
School fund income- other receipts	4	-	-
Total receipts		9,690,508.80	12,411,586.00
Payments			
Payments for Tuition	6	630,990.00	794500.00
Payments for operations	7	2,366,165.00	5369285.00
Boarding and school fund payments	8	4,381,426.00	6261050.00
Payments for infrastructure	9	-	-
Total payments		7,378,581.00	12,424,835.00
Net cash flow from operating activities		2,311,927.80	(13,249)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Grants for Infrastructure		-	-
Payments For Infrastructure		252.00	-
Purchase of investments		-	-
Net cash flows from Investing Activities		(252)	
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Payment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,311,675.80	(13,249)
Cash and cash equivalent at BEGINNING of the year		16,849.33	19,831.33
Cash and cash equivalent at END of the year		2,328,525.13	6582.33

DUNGICHA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

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

Receipt/expenses Item	Original Budget 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
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	583,500	-	583,500	39813.54	543686.46	6.8%
Exercise books	243750	-	243750	267015.68	(23265.68)	109%
Laboratory equipment	109000	-	109000	119440.58	(10440.58)	109%
Internal exams	-	-	-	-	-	-
Teaching / learning materials	77500	-	77500	84935.48	(7435.48)	110%
Chalks	24250	-	24250	26542.07	(2292.07)	109%
Exams and assessment	36250	-	36250	66723.57	(30473.57)	184%
Teachers guides	26250	-	26250	28665.58	(2415.58)	109%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1000500	-	1,000500	1087625.60	(87125.60)	109%
Repairs and maintenance	1,500,000	-	1,500,000	1,822,300	(322500)	122%
Local transport / travelling	327000	-	327000	355675.80	(28675.80)	109%
Electricity and water	374000	-	374000	406298	32298	109%
Medical	500000	-	500000	-	500000	0%
Administration costs	273250	-	273250	296357.90	(23107.90)	108%
Activity	375000	-	375000	-	375000	0%
Gratuity	79,375	-	79375	-	79375	0%
SMASSE	-	-	-	-	-	-

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	1,225,000	-	1,225,000	708,315	516,685	58%
Lunch Programme	4387,500	-	4387,500	3,229,760	1,157,740	74%
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-
Fee on Boarding Equipment and Stores	-	-	-	-	-	-
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME						
(1) EXPENDITURE FOR TUITION						

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Textbooks and reference materials	583500	-	583500	850500	(267000)	146%
Exercise books	247,500	-	247500	296500	(49000)	119%
Laboratory equipment	36250	-	36250	26085	10165	72%
Internal Exams	-	-	-	-	-	-
Teaching / learning materials	79150	-	79150	-	79150	0%
Chalks	42375	-	42375	-	42375	0%
Exams and assessment	36250	-	36250	-	36250	0%
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	952500	-	952500	445100	507400	47%
Repairs, maintenance & improvements	,1500,250	-	1500250	915400	584850	48%
Local transport / travelling	328000	-	328000	130000	198000	38%
Electricity, water and conservancy	376000	-	376000	193170	182830	51%
Medical	500000	-	500000	14200	485800	3%
Administration costs	375685	-	375685	356485	19200	95%
Activity Expenses	405175	-	405175	203300	201875	50%
Gratuity	-	-	-	-	-	-

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
SMASSE	-	-	-	-	-	-
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emolumment	2,08000	-	208000	215300	(7300)	103%
Repairs, maintenance and improvements	-	-	-	-	-	-
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical Expenses	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
Lunch programme	4389800	-	4389800	951185	3438615	22%
Boarding Equipment and Stores	-	-	-	-	-	-
Expenditure for Income Generating Activity	-	-	-	-	-	-
Bom Teachers	1296000	-	1296000	574600	721400	5%
Other expenses on investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
TOTALS	-	-	-	-	-	-

- i. Significant underutilisation resulted due to spending less than the amount of the original budget in the respective votehead.
- ii. Significant Over utilisation resulted due to spending more than the amount in the original budget due to additional works/supplies which were very essential for the school.

DUNGICHA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

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 30th June 2021.

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	267,015.68	332,562.33
Laboratory equipment	119,440.58	148,760.49
Internal exams	66,723.57	83,130.71
Teaching / learning materials	84,935.48	105,788.23
Chalks	26,542.07	33,057.89
Reference books	39,813.54	49,583.83
Teachers guides	28,665.58	35,702.52
Total	633,136.50	788,586.00

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,087,625.60	1,511,591.40
Repairs and maintenance	1,822,500.00	1,947,000.00
Local transport / travelling	355,675.80	494,500.90
Electricity and water	406,298.00	564,899.20
Medical	-	85,200.00
Administration costs	296,357.90	412,808.50
Activity	-	170,400
BOM Teachers	-	180,000
Total	3,968,457.30	5,366,400.00

3 PARENTS CONTRIBUTION/FEEES – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	945,465.00	9,650.00
Lunch Programme	7,814,010.00	4,745,684.00
Bom Teachers		410,988.00
Tender		-
Boarding, Equipment and Stores		2,890,860.00
Electricity and water		-
Medical	-	-
Administration costs		21,200.00

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

	2020-2021	2019-2020
	Kshs	Kshs
Activity	-	-
Total	8,759,475.00	8078,382.00

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	-	-
Rent income	-	-
Income from farming activities	-	-
Tender fees	8,000	8,000
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	-	-
Dividends income	-	-
Total	8,000	8,000

5 GRANTS FOR INFRASTRUCTURE ACCOUNT FROM MOEST
 Transfer from Operational Account - -

6 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	296,500.00	394,500.00
Laboratory equipment	619,085.00	299,085.00
Internal exams	26,500.00	46,500.00
Teaching / learning materials	85,500.00	125,500.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	990.00	1,500.00
Total	1,028,575.00	867,085.00

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	452,500.00	1,095,900.00
Service Gratuity	-	-
Administration Cost	356,485.00	294,845.00
Repairs and maintenance & improvements	1,152,900.00	2,848,950.00
Local transport / travelling	30,000.00	146,900.00
Electricity and water	193,170.00	433,840.00
Medical	14,200.00	14,500.00
Activity Expenses	203,300.00	357,130.00
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	1,110.00	2,220.00
NSSF	-	70,000.00
BOM Teachers	-	60,000.00
TOTAL	2,403,665.00	5,374,285.00

8 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	846,400.00	321,900.00
Electricity, Water and Conservancy	235,100.00	62,000.00
Repairs and maintenance & Improvements	926,690.00	1,423,680.00
Local transport / travelling	110,400.00	133,000.00
Tender	17,500.00	-
Activity	60,500.00	250,770.00
Administration costs	738,115.00	636,975.00
Lunch Programme	1,866,745.00	2,306,130.00
Bank Charges	1,236.00	1,380.00
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	-	-
Bom Teachers	-	736,100.00
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	4,802,686.00	5,939,435.00

*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.*

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 PAYMENTS FOR INFRASTRUCTURE ACCOUNT

Bank Charges	252.00	-
TOTAL	252.00	-

10 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1128541734	3,704.00	1,557.50
Operations Account	1128541491	1,600,142.70	2,095.40
School Fund Account/Boarding	1133206220	706,886.70	2,222.70
Savings Account	-	-	-
Parent Association Development Account	-	-	-
Income generating activities Account	-	-	-
Infrastructural Account	1136005668	10,015.00	-
Total		2,320,748.40	5,875.60

11 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	4,490.00	245.00
School Fund account	3,286.73	461.73
Total	7,776.73	706.73

12 SHORT TERM INVESTMENTS

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

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	12,053,439.27	9,374,631.00
Other non-fees receivables		-
Salary Advance		-
Imprest		-
Total	12,053,439.27	9,374,631.00

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	4,133,400.00	1,234,290.00
Fees arrears received during the year	(454,840.00)	1,460,736.27
Fees arrears for the previous year	4,379,067.00	7,530,640.00
Fees arrears for prior periods (over two years)	3,995,812.27	(851,035.27)
totals	12,053,439.27	9,374,631.00

14 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	2,500,174.00	3,371,680.00
Prepaid fees		-
Retention monies		-
Total	2,500,174.00	3,371,680.00

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	1,970,345.00	2,170,865.00
Trade creditors paid during the year	(1,114,000.00)	883,614.00
Trade creditors for the previous year	1,643,829.00	567,201.00
Trade creditors for prior periods (over two years)	-	(250,000.00)
Total	2,500,174.00	3,371,680.00

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	16,143	19,364.60
Cash balances	706.73	466.73
Short Term Investments		-
Receivables	8,374,879.27	8,991,376.27
Payables	(1,643,829.00)	5,062,237.60
Total	6,747,899.60	3,948,970.00

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Other important disclosure notes

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

16 Non-current Liabilities Summary

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

17 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		9	-
Goats		14	-
Trees		89 trees	89 trees
Coffee or tea plantation		-	-
Poultry		-	-
Total		-	-

18 Borrowings

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

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Other important disclosure notes

19 Stock/ Inventory

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

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

DUNGICHA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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)

DUNGICHA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To-Date c Kshs	Outstanding Balance 2021 d=a-c Kshs	Outstanding Balance 2021-1 Kshs	Comments
Construction of buildings						
Sub-Total						
Supply of goods						
1. WASHO ENTERPRISES		29/5/21	-	127080	177080	Will pay when funds are available
2. LUXURY STAR SOLUTION		17/6/2021	-	191200	796500	"
3. FOCHEM ENTERPRISES		14/5/2021	-	204500	304500	"
4. JAMROCK ENTERPRISES		19/5/2021	-	50200	90200	"
5. BLUE GRAVITY ENTERPRISES		26/3/2021	-	182100	-	"
6. ZAMUNDA ENTERPRISES		24/4/21	-	245100	-	"
7. SODHEJO ENTERPRISES		17/5/2021	-	170080	-	"
8. MIKIRIANI GENERAL		9/3/2021		237500	250,000	
9. ROMZE ENTERPRISES		4/5/2021		340085	220085	
10. LABSTOCK SUPPLIES		15/2/2021		29000	79000	
11. ASHOMI ENTERPRISES		16/3/2021		85500	125500	
12. TOPTXT STATIONERS		18/5/2021		81500	81500	
Sub-Total				1943845	2124365	
Supply of services						
13. JOWANET PHOTOCOPS		20/3/2021		26500	46500	"
Sub-Total				26500	46500	
Grand Total				1970345	2170865	