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REPORT

DATE: 20 FEB 2025

DAY:

Thursday

TABLED
BY:

Hon. Masomi Wago
Deputy Majority Whip

OF

CLERK-AT
THE-TABLE:

Enoch Mwale

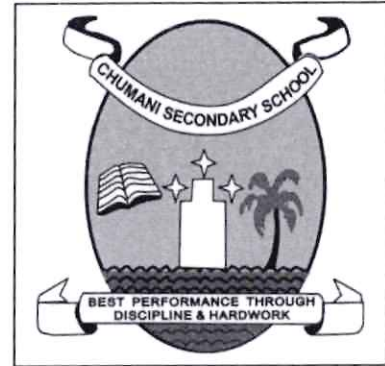
THE AUDITOR-GENERAL

ON

CHUMANI SECONDARY SCHOOL

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

KILFI COUNTY



CHUMANI SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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



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1. Acronyms and Glossary of Terms

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

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free day secondary education funds
PA	Parents association

2. 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 in Kilifi County, Kilifi North Sub-County.

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

The school is a day/boarding school and had 650 students as at 30th June 2023. It has 4 streams and 31 teachers of which 10 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	Joseph mwafaida	Chairman	8/7/2022
2	Emmanuel Katana	Secretary - Principal	8/7/2022
3	Winnie Barawa	Member	8/7/2022
4	Athman Bacha	Member	8/7/2022
5	Mwatsuma Mwamuye	Member	8/7/2022
6	Samuel Geji	Member	8/7/2022
7	Khamis Pande	Member	8/7/2022
8	Sebastian Kashero	Member – Rep CEB	8/7/2022
9	Mr. Kimani	Member Rep Teachers	8/7/2022
10	Cecilia Koki Raymond Ngatata	3 Members - Sponsor	8/7/2022
11	Jannet Chea	Member - Community	8/7/2022
12	Julius Ngolo	Member Special Needs	8/7/2022
13	Mohammed Badi	Rep Students	8/7/2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Jannet Chea 2. Athman Bacha 3. Mwatsuma kiti 4. Cecilia Koki	chair	3 out of 3
2	Audit Committee	1. Jannet Chea 2.Athman Bacha 3.Raymond ngatata	chair	1 out of 3
3	Finance,procurement and general purposes Committee	1.Sebastian kashero 2. Mwatsuma Kiti 3.Julius Ngolo 4. Winnie Barawa 5. Harriet konde	chair	
4	Academic Committee	1. Mwatsuma Kiti 2.Khamisi Pande 3.Winnie Barawa 4. Paul Ngugi	chair	
5	Development Committee	1.Athman Bacha 2.Emmanuel katata 3.Joseph mwafaida 4.Winnie barawa 5.Cecilia koki 6.SCDE		

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

		7.works officer 8. procurement officer		
6	Discipline and welfare Committee	1.Samuel geji 2.Mwatsuma kiti 3.Athman bacha 4.Raymond ngatata 5.Cecilia koki		

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Emmanuel J. Katana	TSC No. 321923
2	Deputy Principal	John Muasya	TSC No. 272389
3	School Bursar	Hariet N. Konde	ICPAK No. none

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

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

(f) School Bankers

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

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

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

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

(g) Independent Auditors

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

Nairobi, Kenya

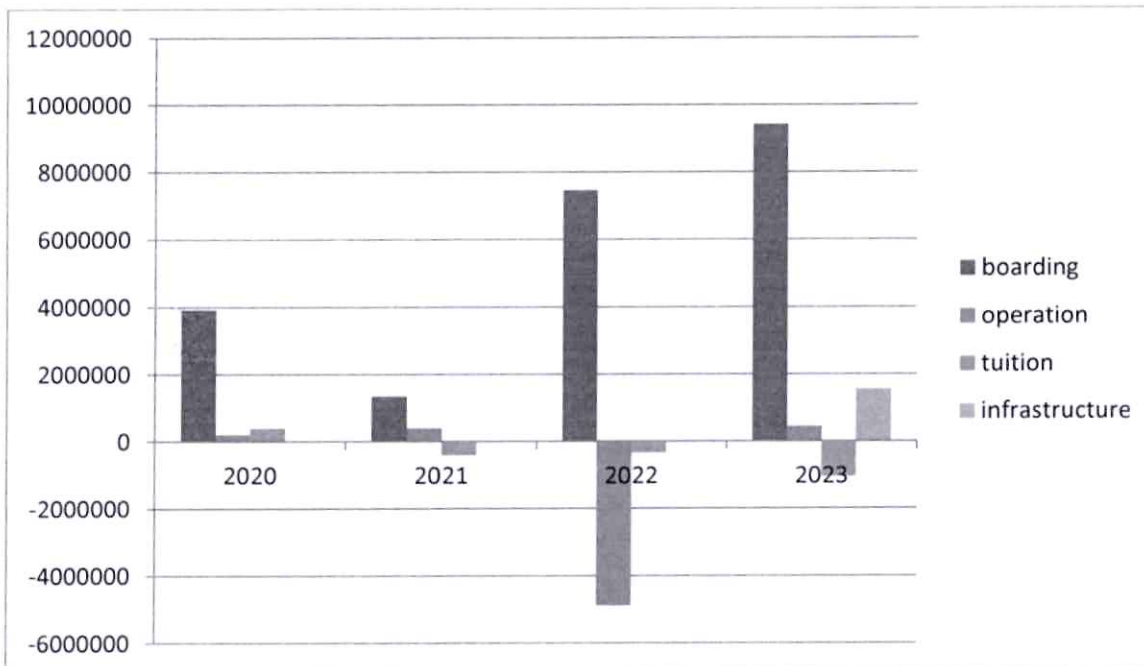
3. Summary Report of Performance of The School

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

a) Financial performance:

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

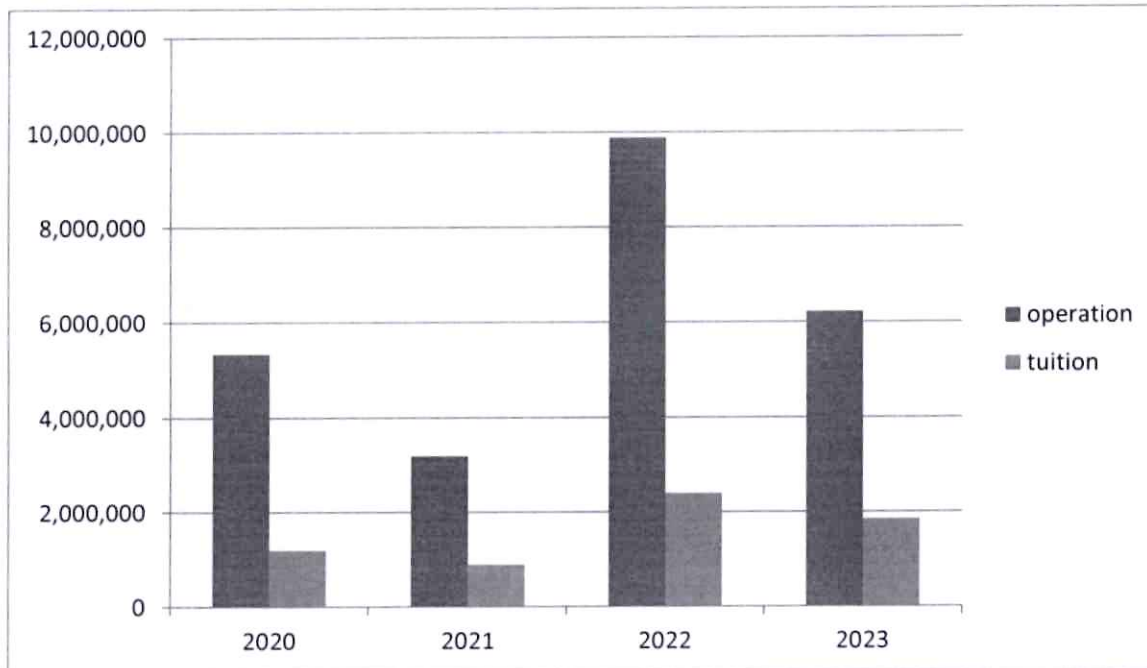
<i>Year</i>	<i>boarding</i>	<i>operation</i>	<i>tuition</i>	<i>infrastructure</i>	<i>total</i>
2020	3,909,328.00	196,611.00	386,771.00	-	4,492,710.00
2021	1,344,485.00	388,463.00	(414,051.00)	-	1,318,897.00
2022	7,456,191.00	(4,882,258.00)	(341,323.00)	-	2,232,609.00
2023	9,422,218.00	439,729.00	(1,035,518.00)	1,569,544.00	10,395,973.00



The deficit was as a result of undercapitation from the MOE.

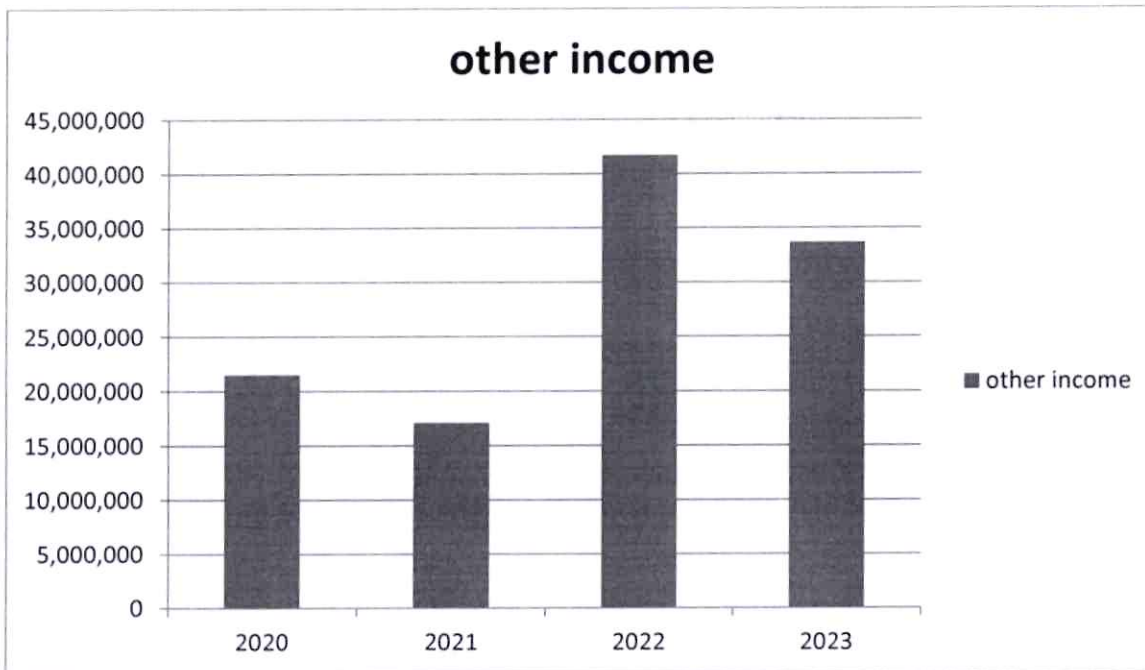
Capitation grants from the Ministry of Education for the last three years

<i>Year</i>	<i>Operation account</i>	<i>Tuition account</i>
2020	5,328,750.00	1,192,180.00
2021	3,186,510.00	884,199.00
2022	9,879,649.00	2,387,919.00
2023	6,211,135.00	1,848,269.00



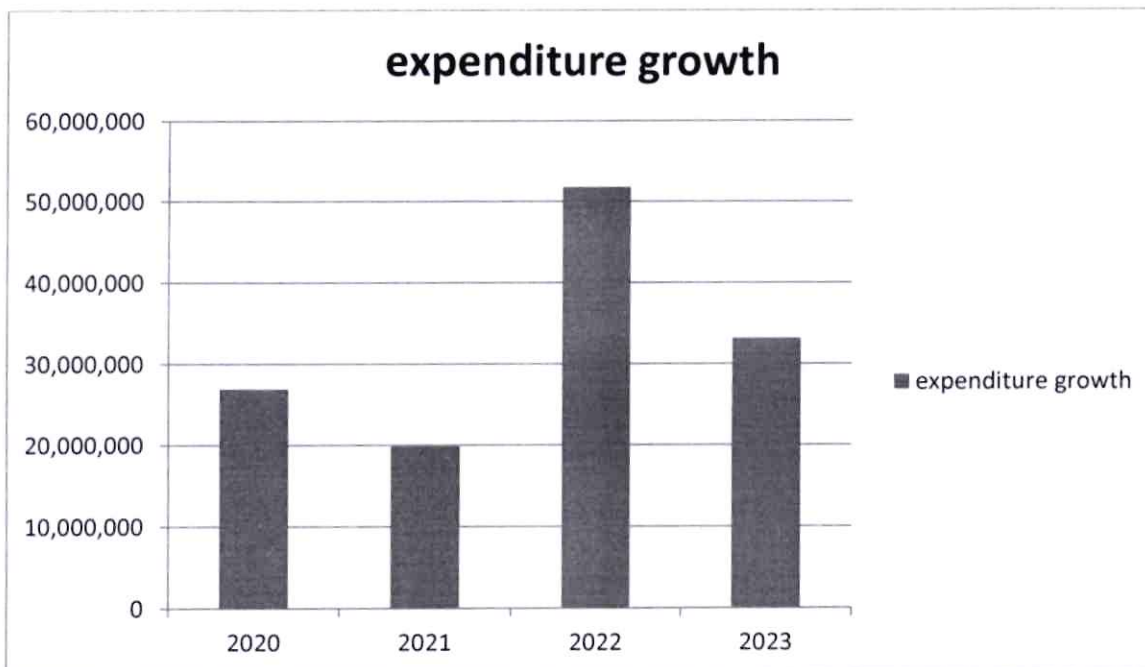
A three-year overview of growth of other income(s) earned by the school.

<i>Year</i>	<i>Income</i>
2020	21,475,715.00
2021	17,083,954.00
2022	41,685,807.00
2023	33,631,042.00



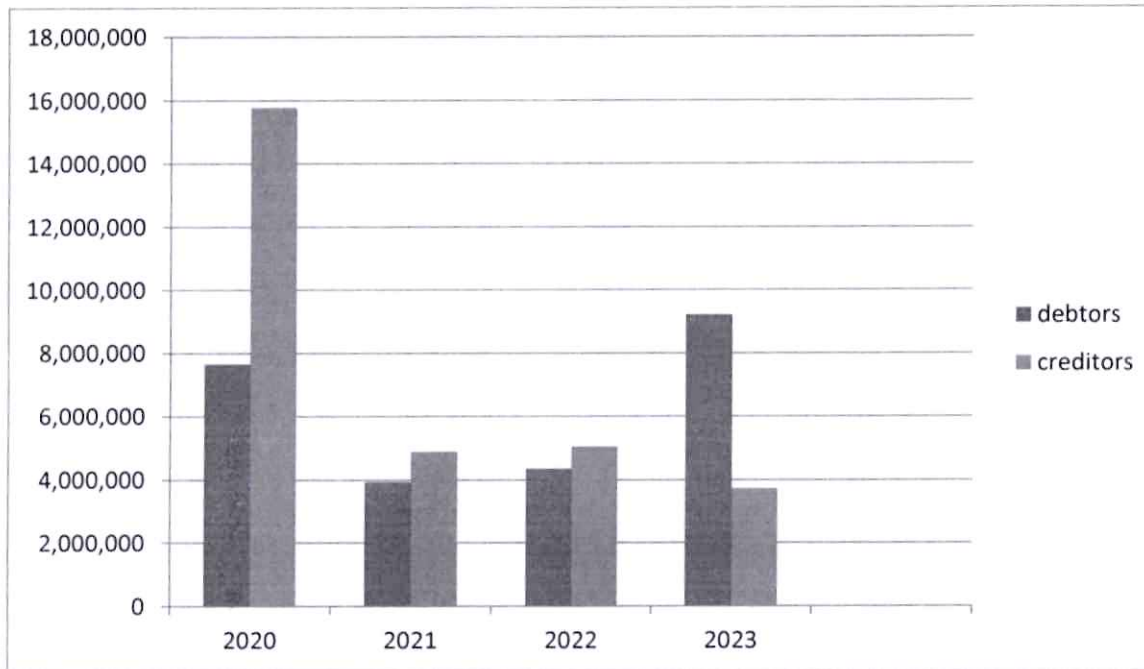
A three-year overview of growth in expenditure of the school

<i>Year</i>	<i>Expenditure</i>
2020	26,863,935.00
2021	19,835,766.00
2022	51,720,766.00
2023	33,155,473.00



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

Year	Total debtors	Total creditors
2020	7,662,158.00	15,781,809.00
2021	3,937,886.00	4,880,065.00
2022	4,348,013.00	5,031,488.00
2023	9,200,294.00	3,728,108.00



b) Teacher Student ratio:

Subject	Tsc	Bom	Total	Teacher/student ratio
English	6	0	6	1:106
Kiswahili	3	3	6	1:106
Mathematics	5	3	8	1:71
Chemistry	5	1	6	1:106
physics	2	1	3	1:150
Biology	5	1	6	1:90
History	1	2	3	1:213
Geography	2	1	3	1:222
CRE	2	2	4	1:102
IRE	2	0	2	1:29

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

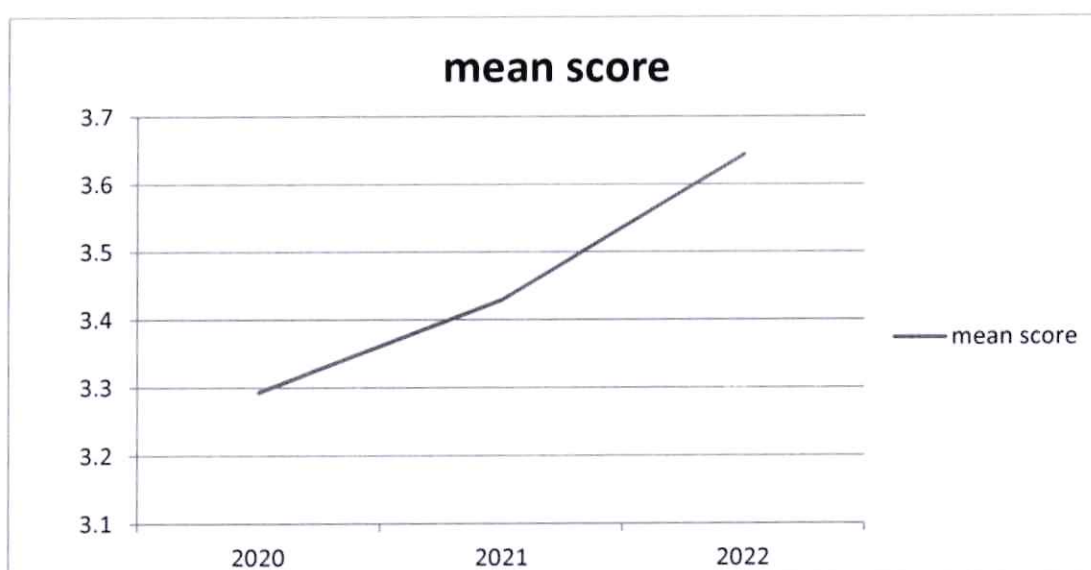
Agriculture	1	0	2	1:175
Computer	1	1	2	1:124
Business	2	1	3	1:84
Music	1	0	1	1:76
Arabic	0	1	1	1:45

Teachers recruited/posted/transferred/employed by Tsc and Bom for the last 3 years

<i>Year</i>	<i>Recruited/posted</i>	<i>Transferd</i>	<i>Retired</i>	<i>Employed by TSC</i>	<i>Employed by BOM</i>
2020	0	2	0	0	2
2021	2	0	0	2	3
2022	2	0	1	2	6
2023	1	1	1	3	10

Kcse performance of the school over three years

<i>Year</i>	<i>Mean score</i>	<i>Mean target</i>	<i>%transition</i>	<i>Comments</i>
2020	3.2929	4.000	0	-0.1625
2021	3.429	4.000	2%	-0.1361
2022	3.644	4.000	0	0.215



c) Mean score/number of students in the year 2020-2022 KCSE:

Year	Entry	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	Y	X	P	Mean
2020	99	0	0	0	0	0	0	6	13	17	31	31	0	0	0	1	3.2929
2021	145	0	0	0	0	1	2	10	19	26	40	42	0	0	1	0	3.429
2022	126	0	0	0	0	0	0	7	19	36	43	15	1	0	2	0	3.644

d) Capacity of the school:

students	teachers	offices	toilets	Dorms	D/hall	Classrooms	Laboratories
650	33	6	6	6	1	21	2

, Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
None	-	-	-	-	-

.....
 School Principal

THE PRINCIPAL
CHUMANI SEC. SCHOOL
 P. O. Box 192 00108, KILIFI
 Date: 25/1/23

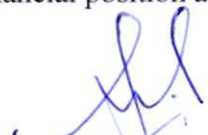
4. Statement of School Management Responsibility

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


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


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

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

.....

Name: JOSEPH MWANGI
Designation: Chairman, School Board of Management
Date:

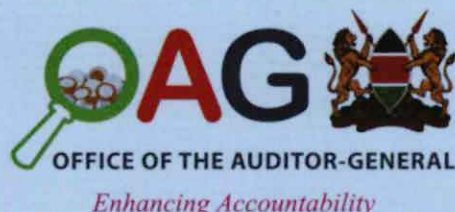
.....
Name:
Designation: School Principal & Secretary to Board of Management
Date:



.....

Name: Harriet Konde
Designation: Bursar/ Finance Officer
Date: 25/6/23

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 CHUMANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - 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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying Financial Statements of Chumani Secondary School - Kilifi County set out on pages 1 to 19, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the

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

Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Chumani Secondary School – Kilifi County as at 30 June, 2023 - Kilifi County and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.64,465,851 out of which Kshs.62,372,371 were in respect of fees arrears as disclosed in Note 12 to the financial statements. Included in the balance are receivables amounting to Kshs.47,224,629 which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.64,465,851 could not be confirmed.

2. Understatement of Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects comparative figure for bank balance amounting to Kshs.799,988. However, recasting the comparative account balances disclosed under Note 10 yielded Kshs.854,627 resulting in a variance of Kshs.54,639, as also reported in the previous year. This implies that the opening bank balance for the current year was erroneous.

In the circumstances, the accuracy of the bank balances amounting to Kshs.1,351,608 for the current year could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.37,512,050 and Kshs.37,618,156 respectively, resulting to an over-funding of Kshs.106,106 or 0.29% of the budget. However, the School

spent a balance of Kshs.32,293,105 against actual receipts of Kshs 37,618,156 resulting to an under-utilization of Kshs 5,325,051 or 14.16% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June,2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects Operations payments amount of Kshs.5,771,406 as disclosed in Note 7 and Boarding and School fund payments amount of Kshs.24,208,824 as disclosed in Note 9 to the financial statements. Included in these expenditure items is a total amount of Kshs.906,000 transferred to Kenya Secondary School Heads Association (KESSHA) during the year under audit. However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.906,000 could not be confirmed.

2. Long Outstanding Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.11,136,616 and as disclosed in Note 13 and 14a to the financial statements. However, included in the balance are trade payables balance of Kshs.1,200,000 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates

In the circumstances, the School Management was in breach of the law and there is risk of loss of public funds through litigations, interests and penalties.

3. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement plan. This is contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which require schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the law

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.6,211,134.75 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.2,008,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.1,174,000 was transferred to infrastructure account, leaving a balance of Kshs.834,000 as at 30 June, 2023. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/10/18(112) which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the law

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

The audit revealed that the school used cash totalling Kshs.1,111,375 to purchase goods and services instead of procuring using other suitable methods. This was contrary Second Schedule of the Public Procurement and Asset Disposal Regulations, 2020 which caps use of cash to procure goods, works and services at Kshs.100,000 per item per annum.

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

6. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs 43,551,445.50 and Kshs.33,155,473 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

7. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- The statement of financial assets and financial liabilities reflects reference note for accumulated fund brought forward as Note 15 while the actual Note is Note 14.
- The figures were not presented to the nearest whole number.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision-making.

8. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 14 December, 2023, instead of the statutory deadline of 30 September 2023. This was contrary to the Ministry of Education circular Ref: MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2023 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

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

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

2. Lack of Ownership Document

Annex 2 to the financial statements reflects summary of fixed assets which includes land with unknown value. However, the School did not provide title deed for audit verification

In the circumstances, the accuracy, completeness and ownership of the fixed asset 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 processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain services, disclosing, as applicable, matters related

to sustainability of services, and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 September, 2024

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,848,268.75	2,387,919.00
Government grants for operations	2	6,211,134.75	9,879,649.00
Government Grants for infrastructure	3	1,861,000.00	-
School fund income- parents' contributions	4	33,549,042.00	14,498,678.95
Miscellaneous incomes	5	82,000.00	27,187,128.00
Total Receipts		43,551,445.50	53,953,375.15
Payments			
Tuition	6	2,883,786.60	2,729,242.00
Operations	7	5,771,406.00	14,761,908.00
Infrastructure	8	291,456.00	-
Boarding and school fund	9	24,208,824.40	34,229,616.00
Total Payments		33,155,473.00	51,720,766.00
Surplus/Deficit		10,395,972.50	2,232,609.15

The school financial statements were approved on 25/10/23 2023 and signed by:



Name: JOSEPH MWAKAFWA
 Chair BOM

Date:


 Name: [Signature]
 School Principal/Secretary to BOM
 Date: 25/10/23

Date:



Name: Harriet Konde
 Bursar/ Finance Officer

Date: 25/10/23

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,351,608.34	799,987.74
Cash balances	11	14,311.10	1,856.10
Total cash and cash equivalent		1,365,919.44	801,843.84
Account's receivables	12	64,465,850.95	58,735,974.05
Total financial assets		65,831,770.39	59,537,817.89
Financial liabilities			
Accounts payables	13	11,136,616.00	15,238,636.00
Net financial assets		54,695,154.39	44,299,181.89
Represented by			
Accumulated fund b/fwd	15	44,299,181.89	42,066,572.74
Surplus/deficit for the year		10,395,972.50	2,232,609.15
Net financial position		54,695,154.39	44,299,181.89

The school's financial statements were approved on 29/10/23 2023 and signed by:

Name:

Chair BOM

Date:

Name:

School Principal
BOM

Date:

Name:

Bursar/ Finance Officer

Date:

THE PRINCIPAL
CHUMANI SEC. SCHOOL
 P. O. Box 192-80108, KILIFI
 Date: 29/10/23

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,848,268.75	2,387,919.00
Government grants for operations	2	6,211,134.75	9,879,649.00
Government grants for infrastructure	3	1,861,000.00	-
School fund income- parents contributions/ fees	4	33,549,042.00	14,498,679.00
Other income	5	82,000.00	27,187,128.00
Total receipts		43,551,445.50	53,953,375.00
Payments			
Cash outflows for tuition	6	2,883,786.60	2,729,242.00
Cash outflows for operations	7	5,771,406.00	14,761,908.00
Infrastructure	8	291,456.00	-
Cash outflows Boarding/lunch and school fund payments	9	24,208,824.40	34,229,616.00
Total payments		33,155,473.00	51,720,766.00
Net cash inflow/outflow from operating activities		10,395,972.50	2,232,609.00
Cash flow from investing activities			
Acquisition of assets		-	(3,302,215)
Net cash inflow/outflows from investing activities		-	(3,302,215)
Cash flow from Financing activities			
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		10,395,972.50	1,069,606.00
Cash and cash equivalent at beginning of the 2022		801,843.84	2,774,689.69
Cash and cash equivalent at end of the 2023		1,365,919.44	801,843.84

The school's financial statements were approved on 30th June 2023 and signed by

Name: JOYPA MWAFADA
 Chair BOM
 Date:

THE PRINCIPAL
 CHUMANI SEC. SCHOOL
 Name: JOYPA MWAFADA
 School Principal/ Secretary to BOM
 Date: 30/6/23

Name: Harriet Kaula
 Bursar/ Finance Officer
 Date: 29/6/23

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Exercise Books	542,750	-	542,750	396,090.50	73%
Laboratory Equipment	523,900	-	523,900	281,868.00	54%
Internal Exams	60,000	-	60,000	60,000.00	100%
Teaching / Learning Materials	388,700	-	388,700	889,646.25	229%
Exams And Assessment	89,200	-	89,200	173,384.00	195%
Chalk	50,000	-	50,000	47,280.00	95%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	3,250,000	-	3,250,000	2,522,220.90	78%
Repairs And Maintenance	3,250,000	-	3,250,000	687,000.00	83%
Local Transport / Travelling	780,000	--	780,000	405,934.00	52%
Electricity And Water	1,300,000	-	1,300,000	1,080,523.65	83%
Medical	422,500	-	422,500	205,933.20	49%
Administration Costs	780,000	-	780,000	623,685.50	80%
Activity	975,000	-	975,000	538,837.50	52%
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	3,250,000	-	3,250,000	2,008,000	62%
<i>(4) Fees Charged on Parents</i>					
Personnel Emoluments	3,300,000	-	3,300,000	2,856,990	87%

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
Repairs And Maintenance	1,200,000	-	1,200,000	946,465	79%
Local Transport / Travelling	630,000	-	630,000	602,275	96%
Electricity And Water	1,962,000	-	1,962,000	1,691,686	86%
Medical	300,000	-	300,000	-	-
Administration Costs	1,110,000	-	1,110,000	1,070,430	96%
Activity	300,000	-	300,000	166,176	55%
Fee On Boarding Equipment and Stores	13,048,000	-	13,048,000	14,076,493	108%
5) Miscellaneous Income					
Loans / Borrowing- Bursary	-	-	-	3,267,005	-
Parents association PA	-	-	-	634,675	-
Income From Bus Hire	-	-	-	82,000	-
Interest Income-bom teachers	-	-	-	2,303,558	-
Total Income	-	-	-	37,618,156.50	-
(6) Expenditure For Tuition					
Reference Materials-computer accessories	-	-	-	135,000	-
Exercise Books	542,750	-	542,750	256,470	47%
Laboratory Equipment	523,900	-	523,900	170,000	32%
Internal Exams	60,000	-	60,000	38,400	64%
Teaching / Learning Materials	388,700	-	388,700	360,000	93%
Chalks	50,000	-	50,000	-	-
Exams And Assessment	89,200	-	89,200	61,982	69%
Teachers Guides	40,000	-	40,000	-	-

**Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/e % Kshs
Bank Charges	-	-	-	5,339.60	-
(7) Expenditure For Operations					
Personnel Emoluments	3,250,000	-	3,250,000	3,264,216	100%
Repairs, Maintenance & Improvements	3,250,000	-	3,250,000	52,800	1.6%
Local Transport / Travelling	780,000	--	780,000	449,600	58%
Electricity, Water and Conservancy	1,300,000	-	1,300,000	470,660	36%
Medical	422,500	-	422,500	1,600	0.4%
Administration Costs	780,000	-	780,000	459,130	59%
Activity Expenses	975,000	-	975,000	420,780	43%
(8) Expenditure For infrastructure					
Construction of LAB-bank charges	-	-	-	1,356	-
Construction of DORMS	3,302,215.00	290,100	3,592,315.00	290,100	8%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	3,300,000	-	3,300,000	3,215,383	97%
Repairs, Maintenance and Improvements	1,200,000	-	1,200,000	1,702,034	142%
Local Transport / Travelling	630,000	-	630,000	558,400	89%
Electricity, Water and Conservancy	1,962,000	-	1,962,000	1,956,767	99.7%
Medical Expenses	300,000	-	300,000	181,390	60%
Administration Costs	1,110,000	-	1,110,000	1,077,574.40	97%
Activity	300,000	-	300,000	999,410.00	333%
Boarding Equipment and Stores	13,048,000	-	13,048,000	9,776,540.00	75%
Insurance Costs –bursary	-	-	-	3,267,005.00	-

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Other Expenses On Investments- bus hire	-	-	-	258,400.00	-
Rent Expenses- PA	-	-	-	777,920.00	-
Bank Charges- Bom salaries	-	-	-	2,084,848.00	-
Totals	-	-	-	32,293,105.00	

- i. Underutilisation was as a result of poor collection of fees*
- ii. while overutilization was as a result of inter-account borrowing.*

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials		
Exercise Books	396,090.50	583,633
Laboratory Equipment	281,868.00	418,512
Internal Exams	60,000.00	271,791
Teaching / Learning Materials	889,646.25	561,357
chalk	47,280.00	69,052
Exams and assessment	173,384.00	238,444
Teachers guide	-	245,130
	1,848,268.75	2,387,919.00

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,522,220.90	2,780,974
Repairs And Maintenance	834,000.00	3,747,000
Local Transport / Travelling	405,934.00	725,385
Electricity And Water	1,080,523.65	1,206,081
Medical	205,933.20	134,800
Administration Costs	623,685.50	737,528
Activity	538,837.50	547,881.20
Total	6,211,134.75	9,879,649.20

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Transition infrastructure grants	1,861,000.00	2,715,000
Total	1,861,000.00	2,715,000.00

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4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	3,961,070.00	4,223,862.00
Repairs and maintenance	1,414,730.00	1,444,440.00
Local transport / travelling	940,365.00	749,030.00
Electricity and water	2,393,105.00	2,605,916.20
Medical	-	11,000.00
Administration costs	1,572,235.00	1,723,352.75
Activity	220,191.00	317,348.00
Fee on Boarding Equipment and stores	18,043,823.00	19,585,022.00
PA Levies*	1,339,220.00	130,295.00
Damages		67,820.00
Bom teachers salary	3,664,303.00	3,423,730.00
Operation account	-	950,000.00
Total	33,549,042.00	35,231,815.95

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Income From Bus Hire	82,000.00	-
Income From Grants and Donations*-bursary	-	3,738,991
Total	82,000.00	3,738,991

Notes to the Financial Statements

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	476,785.00	214,000
Textbooks	-	-
Reference materials—computer accessories	164,010.00	-
Laboratory Equipment	556,160.00	907,205
Teaching / Learning Materials	1,334,110.00	958,776
Exams And Assessment	135,982.00	157,350
Teachers Guides	17,000.00	484,875
Bank Charges	5,339.60	7,036
Others (<i>specify</i>)- <i>internal exams</i>	194,400.00	-
Total	2,883,786.60	2,729,242

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	3,665,481.00	2,486,542
Service Gratuity	-	-
Administration Cost	459,130.00	586,267
Repairs And Maintenance & Improvements	52,800.00	5,549,882
Local Transport / Travelling	449,600.00	671,923
Electricity And Water	527,015.00	1,212,094
Medical	123,600.00	-
Activity Expenses	493,780.00	370,200
Others (<i>specify</i>)- Infrastructure savings	-	1,120,000
Total	5,771,406.00	11,996,908

Chumani secondary school –public secondary school
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements

8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of dormitory	-	3,302,215
Purchase of furniture-repairs of furniture	290,100.00	-
Others (specify)-bank charges	1,356.00	-
Total	291,456.00	3,302,205

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	3,215,383.00	5,553,195
Service Gratuity- Activity	999,410.00	246,120
Repairs And Maintenance & Improvements	1,702,034.00	896,975
Local Transport / Travelling	558,400.00	685,540
Electricity And Water	1,956,767.00	3,132,978
Medical Expenses	181,390.00	93,100
Administration Costs	1,077,574.40	1,010,489
Lunch Programme – Computersoftware/hardware	-	514,755
Bank Charges-Bom teachers salary	2,084,848.00	2,567,205
Expenses On Income Generating Activities**		-
Fee On Boarding Equipment and Stores	11,396,698.00	14,646,120
Rent Expenses--	-	3,738,991
Insurance Cost (<i>Life Property</i>)-bus hire/insurance	258,400.00	494,125
PA expenses	777,920.00	650,023
Total	24,208,824.40	34,229,616

Chumani secondary school –public secondary school
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Notes to the Financial Statements

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	
Tuition Account	Active	1102197971	4,100.65	13,905.50
Operations Account	Active	1102198536	33,569.95	27,150.20
School Fund Account/Boarding	Active	1102193143	29,750.64	79,088.04
Savings Account-operation	Active	1169897541	19,779.20	19,779.20
Parent Association Development Account	Active	110037365	32,346.10	2,186.10
Infrastructural Account	Active	1259632571	1,199,388.00	679,844.00
Exam savings	Dormant	110040517	27,682.90	27,682.90
c/money savings	Dormant	110040546	4,990.90	4,990.90
Total			1,351,608.34	799,987.74

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	14,311.10	1,856.10
Total	14,311.10	1,856.10

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Notes to the Financial Statements

12 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	62,372,370.95	58,278,004.05
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	549,740.00	438,970.00
Imprest (list/schedule attached)	93,740.00	19,000.00
Rent arrears (list/schedule attached)inter a/c borrowing	1,450,000.00	-
Total	64,465,850.95	58,735,974.05

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	9,200,294.00	14.71%	4,348,013.00	7.46%
Between 1- 2 years	3,364,197.00	5.38%	3,937,886.00	6.76%
Between 2-3 years	2,583,250.00	4.13%	2,583,250.00	4.44%
Over 3 years	47,224,629.05	75.78%	47,408,855.05	81.34%
Total (should tie to note 13 a)	62,372,370.95	100%	58,278,004.05	100%

13 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	8,709,263.00	14,132,700
Prepaid Fees	837,353.00	1,105,936
Caution money/inter a/c borrowing	1,450,000.00	-
Other payables (specify)-R/d cheque	140,000.00	-
Total	11,136,616.00	15,238,636

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Notes to the Financial Statements

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,728,108	42.8%	5,031,488	36%
Between 1- 2 years	3,781,155	43.4%	4,880,065	35%
Between 2-3 years	1,200,000	13.8%	4,221,147	29%
Total (should tie to note 14)	8,709,263	100%	14,132,700	100%

14 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	1,351,608.34	2,763,568.59
Cash Balances	14,311.10	11,121.10
Receivables	64,465,850.95	56,755,796.05
Payables	(11,136,616.00)	(17,463,913.00)
Total	54,695,154.49	42,066,572.74

Other important disclosure notes

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

15 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle		130,000	70,000
Goats		5,000	-
Total		135,000	70,000

Other important disclosure notes

16 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	23400	8,000
Lab consumables	43,900	-
	67,300	8,000

17 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)

 Sign and Date
 Principal

THE PRINCIPAL
CHUMANI SEC. SCHOOL
 P.O. Box 92-803408, KILIFI
 Date: 12/06/23
 Sign: [Signature]

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022-2023	Outstanding Balance Comparative 2021-2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Operation a/c - Mombasa roads	225,000	7/6/2022		-	225,000	
Frijas sports house	173,000	23/7/23	100,000	73,000	-	
Ronitex tyres	122,000	20/10/23	-	122,000	-	
Rentokil initial	56,355	12/6/2023	-	56,355	-	
2. Tuition a/c - Bestbiz						
Kilifi new face	29,010	24/11/2022		29,010	-	
Pekele books	344,500	27/1/23	-	188,500	156,000	
Romze enterprises	319,630	10/2/23	-	319,630	-	
Nakuru rubber stamp	831,005	2022/2023	-	386,160	444,845	
Takaungu stationers	74,000	1/2/23	-	74,000	-	
Lab 90 mombasa	220,315	26/10/22	-	220,315	-	
Mems	134,900	21/5/22	-	-	134,900	
Fastown	505,980	6/6/23	-	505,980	-	
Copy cat	17,000	14/10/22	-	17,000	-	
	116,000	14/6/22	-	116,000	-	
3. Boarding account- Bepri general supplies	1,923,525	11/3/2020	723,525	-	1,200,000	
AL-Mubarak shop	1,032,780	28/6/2022	251,720	-	781,060	
Abbas green grocer	616,200	2021/2023	-	-	616,200	
Msenangu butchery	2,342,694	18/2/23	400,000	1,285,394	657,300	
Kilifi new face	423,850	2021/2023	-	-	423,850	
Bill solar	463,600	2021/2023	200,000	83,600	180,000	
Samset enterprises	111,164	14/3/23	-	111,164	-	
Juval innovations	140,000	6/6/23	-	140,000	-	

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022-2023	Outstanding Balance Comparative 2021-2022	Comments
Sub-Total	10,222,508		1,675,245	3,728,108	4,819,155	
Supply Of Services						
4. Catch security	324,000	20/2/2022	162,000	-	162,000	
Sub-Total					162,000	
Grand Total	10,546,508		1,837,245	3,728,108	4,981,155	

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Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land 1	1997	Roka	donated	-	-	-
Land 2	-		-	-	-	-
Buildings and structures			-	-	-	-
Motor vehicles	2008		1,500,000	-	1,200,000	2,700,000
Office equipment, furniture and fittings			339,200	-	-	339,200
ICT Equipment, and Other ICT Assets			-	-	-	-
Tools and apparatus			-	-	-	-
Textbooks		-	-	-	-	-
Other Machinery and Equipment			-	-	-	-
Intangible assets- soft ware	2013		-	-	-	-
Total			1,839,000	-	1,200,000	3,039,200