

REPUBLIC OF KENYA



Enhancing Accountability



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REPORT

THE NATIONAL ASSEMBLY
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DATE: 30 NOV 2023 DAY: *THURS*

TABLING
BY: *Hon Naomi Wago, mp*
CLERK-AT
THE TABLE: *Deputy Majority Whip*
J. S. Mbarika

THE AUDITOR-GENERAL

ON

CHANIA GIRLS HIGH SCHOOL

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

KIAMBU COUNTY

21 JUL 2023

RECEIVED



CHANIA GIRLS BOARDING
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED 30TH JUNE 2021

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

CHANIA GIRLS HIGH SCHOOL
Reports and Financial Statements
For the period ended 30th June 2021

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in 17/08/2009 under registration number 22S00300662 and is currently categorized as a Extra County public school established, owned and operated by the Government.

The school is a day/boarding school and had 1171 number of students as at 30th June 2021. It has 6 streams and 48 teachers of which 7 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	Dr. Patrick Karanja Ngugi	Chairman	21st May 2019
2	Mrs Mary Muthoni Mwangi	Secretary - Principal	21st May 2019
3	Mr. Samuel Kanyi Wangenye	Member—Special Interest	21st May 2019
4	Mr. Jane Gathoni Nyutu	Member – Rep CEB	21st May 2019
5	Mr. James Mwangi Geoffrey	Member Rep Teachers	21st May 2019
6	Dr. Patrick Karanja Ngugi Mrs. Irene Wairimu Mwangi Mr. Simon Wakaba Mwago	3 Members - Sponsor	21st May 2019
7	Mr. Julius Kiragu Nderitu Mrs Jane Wambui Kinuthia Bishop Geoffrey Mambo Mr. Benjamin Mugambi Njeru Mrs. Josephine Muthoni Ngugi Mr. Michael Ndung'u Gathu	Member - Community	21st May 2019
8	Dr Benard Chomba Mugo	Member Special Needs	21st May 2019
9	Risper Wangui Muhia	Rep Students	21st May 2019
10.	Mr. David Harries Firdaus Wanjiku Hussein Mrs. Catherine Waithira Mwangi	Co-opted members	21st May 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Provide the names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Dr Patrick Karanja Ngugi	Chairperson	
		Mrs Irene Wairimu Mwangi	Vice-chair	
		Mrs Mary Muthoni Mwangi	Secretary	
		MR. Samuel Kanyi	Member	
		Dr. Benard Chomba Mugo	Member	4
2	Finance, procurement and general purposes Committee	Mr. Michael Ndung'u Gathu	Chairperson	
		Mrs Mary Muthoni Mwangi	Secretary	
		Mr. Samuel Kanyi Wangenye	Member	
		Mr. Benjamin Mugambi	Member	
		Dr. Benard Chomba Mugo	Member	
		Firdaus Wanjiku Hussein	Member	2
3	Academic Committee	Dr. Bernard Chomba Mugo	Chairperson	
		Mrs Mary Muthoni Mwangi	Secretary	
		Mr James Mwangi Geoffrey	Member	
		Mr. Samuel Kanyi Wangenye	Member	
		Mr. David Harries	Member	2
4	Development Committee	Mr. Benjamin Mugambi	Chairperson	
		Mrs Mary Muthoni Mwangi	Secretary	
		Mrs Josephine Muthoni	Member	
		Dr. Patrick Ngugi	Member	
		Mrs Irene Wairimu Mwangi	Member	
5	Discipline and welfare	Sub-county Director	Member	3
		Mr. Julius Kiragu Nderitu	Chairperson	

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Committee	Mrs Mary Mwangi	Secretary	
	Mrs Jane Gathoni Nyutu	Member	
	Bishop Godfrey Mambo	Member	
	Mrs Irene Wairimu	Member	
	Mrs Catherine Waithira Mwangi	Member	
	Mr. Samuel Kanyi Wangenye	Member	

(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	Mrs Mary Muthoni Mwangi	322143
2	Deputy Principal	Mrs Phylis Warigia Maina	291513
3	School Bursar	Miss Caroline Wambui Kibuchi	28077119

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 2723-00100 THIKA
Telephone: 0723823393
E-mail: chaniaghs@yahoo.com

(f) School Bankers

The school operated 8 bank accounts in the following banks:

1. Name of Bank: KCB
Branch: Thika
Account Number: 1102087416
Account Name: School Fund
2. Name of Bank: KCB
Branch: Thika
Account Number: 1102809966
Account Name: OPERATION
3. Name of Bank: KCB
Branch: Thika
Account Number: 1102089109
Account Name: TUITION
4. Name of Bank: KCB
Branch: Thika
Account Number: 1257947540
Account Name: INFRASTRUCTURE
5. Name of Bank: KCB
Branch: Thika
Account Number: 1206242477
Account Name: BUSINESS
6. Name of Bank: Equity
Branch: Thika
Account Number: 0090290051938
Account Name: CURRENT
7. MPESA Pay Bill No.522123 attached to 1102087416 bank account
8. Name of Bank: Equity
Branch: Thika
Account Number: 0090266417370 -CDF_2

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9. Name of Bank: Equity
Branch: Thika
Account Number: 0191071561 –CDF_1

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

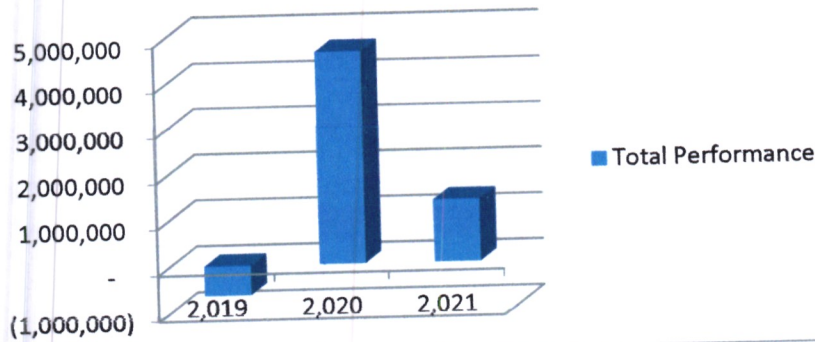
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Financial Performance - Deficits and/or Surpluses 3 Year Trend							
Year	Account						
	School Fund	Operation	Tuition	Infrastructure	Farm	CDF	Total
2,019	136,680	(289,850)	(495,947)	12,846	-	-	(636,271)
2,020	2,098,700	35,396	27,132	2,482,080	-	-	4,643,309
2,021	1,910,363	505,959	9,934	(1,077,620)	-	-	1,348,636
Total	4,145,743	251,505	(458,880)	1,417,306	-	-	5,355,674

Year	Total Performance
2,019	(636,271)
2,020	4,643,309
2,021	1,348,636

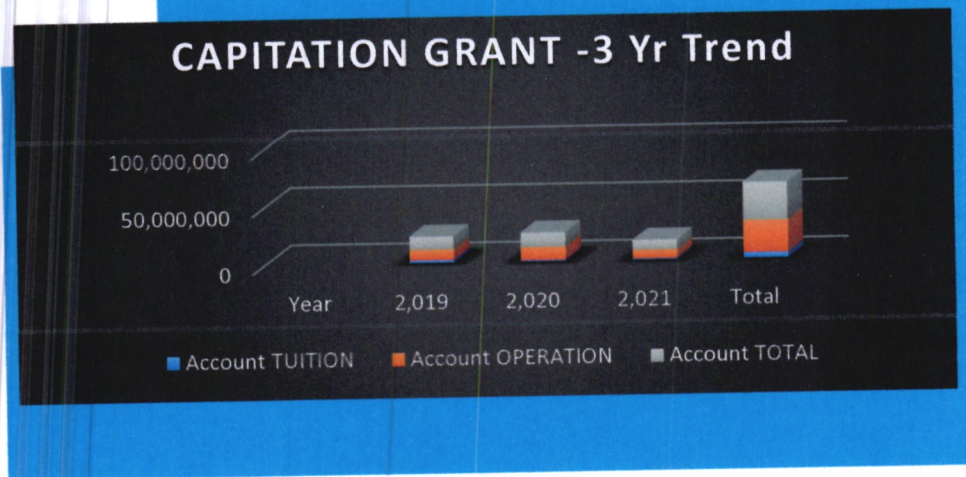
Total Financial Performance





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

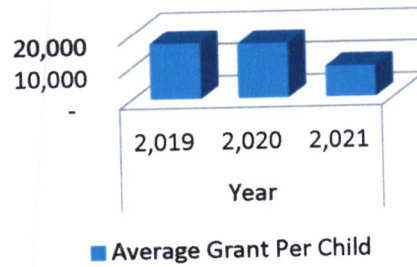
CAPITATION GRANT -3 Yr Trend				
Year	Account			TOTAL
	TUITION	OPERATION		
2,019	2,412,170	9,271,928		11,684,098
2,020	1,338,088	11,332,435		12,670,523
2,021	1,241,652	7,504,112		8,745,764
Total	4,991,910	28,108,476		33,100,386



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

Capitation Grant Per CHILd -3 Yr Trend			
	Year		
	2,019	2,020	2,021
TOTAL GRANT RECEIVED	11,684,098	12,670,523	8,745,764
Highest Enrolment in the Year	675	747	919
Average Grant Per Child	17,310	16,962	9,517
	Year		
	2,019	2,020	2,021
Average Grant Per Child	17,310	16,962	9,517

Average Grant Per Child

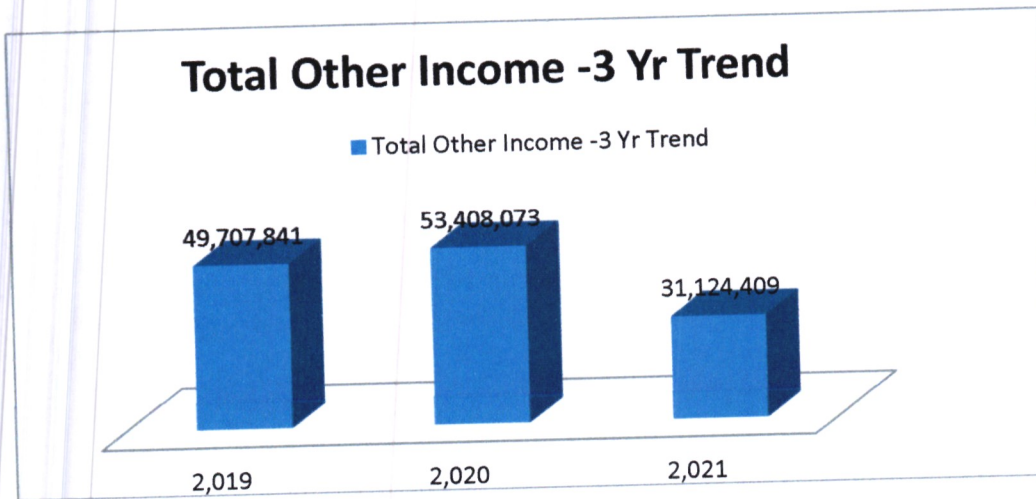


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- A three-year overview of growth of other income(s) earned by the school.

Growth of Other Incomes -3 Yr Trend						
YEAR	Income Source					Total
	School Fund	Farm	Infrastructure	CDF		
2,019	45,657,841	-	4,050,000	-	-	49,707,841
2,020	48,920,073	-	4,488,000	-	-	53,408,073
2,021	29,286,409	-	1,838,000	-	-	31,124,409
Total	123,864,323	-	10,376,000	-	-	134,240,323

Year	Total Other Income -3 Yr Trend
2,019	49,707,841
2,020	53,408,073
2,021	31,124,409

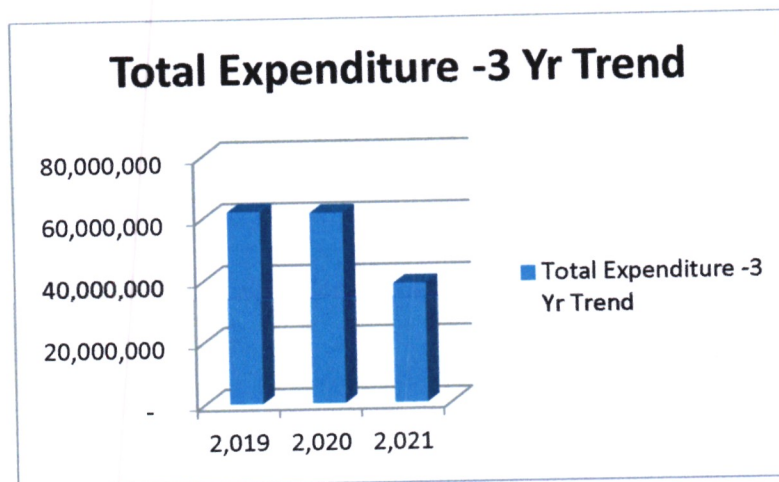


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A three-year overview of growth in expenditure of the school

YEAR	School Fund	Operation	Tuition	Farm	Infrastructure	CDF	Yr Total
2019	45,521,161	9,561,778	2,908,117	-	4,037,154	-	62,028,210
2020	46,821,373	11,297,039	1,310,956	-	2,005,920	-	61,435,288
2021	27,376,046	6,998,154	1,231,718	-	2,915,620	-	38,521,537
Total	119,718,580	27,856,970	5,450,791	-	8,958,694	-	161,985,035

Year	Total Expenditure -3 Yr Trend
2,019	62,028,210
2,020	61,435,288
2,021	38,521,537

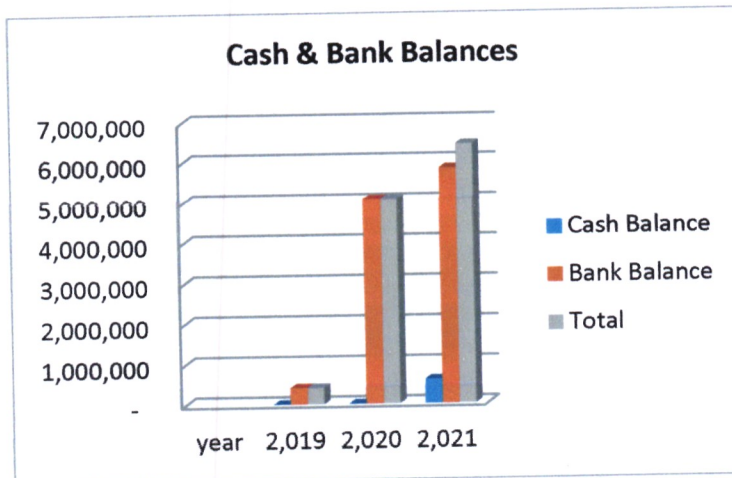


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For the period ended 30th June 2021

Movement of cash and bank balances over the last three years

Cash and Bank Balances -3Yr Trend								
Year		Account						Yr Total
		School Fund	Operation	Tuition	Farm	Infrastructure	CDF	
2,019	Cash	-	-	-	-	-	-	-
	Bank	367,834	1,370	44,781	-	-	-	413,985
2,020	Cash	6,416	-	-	-	-	-	6,416
	Bank	2,460,118	36,766	71,913	-	2,494,926	-	5,063,723
2,021	Cash	600,702	-	-	-	-	-	600,702
	Bank	3,776,195	542,725	81,847	-	1,417,306	-	5,818,073
Total	Cash	607,118	-	-	-	-	-	607,118
	Bank	6,604,147	580,861	198,540	-	3,912,232	-	11,295,781

year	Cash Balance	Bank Balance	Total
2,019	-	413,985	413,985
2,020	6,416	5,063,723	5,070,140
2,021	600,702	5,818,073	6,418,775



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b) Teacher Student ratio:

Ratio of students to Teachers	
Total enrolment	1,171
Total No of Teachers	48
Students : Teachers ratio	23

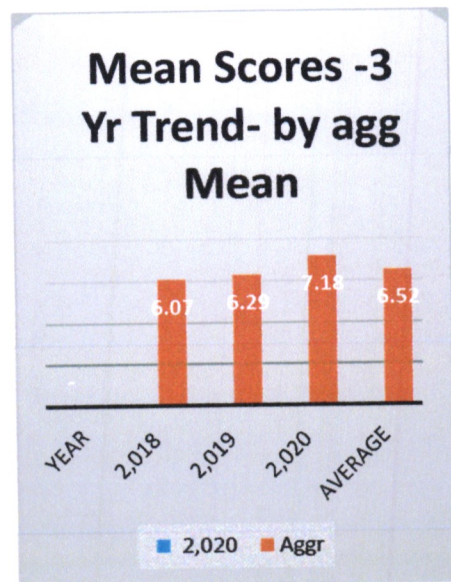
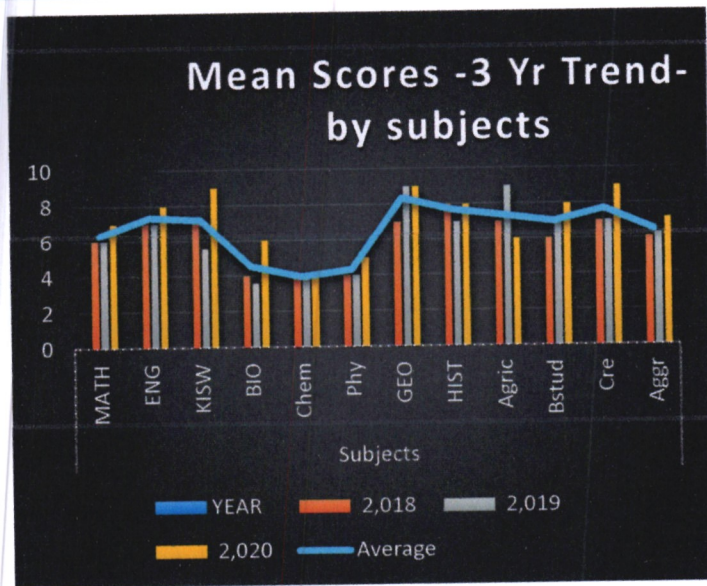
Teachers Turnover	
No of teachers recruited in the year	3
No of teachers transferred inwards in the year	4
No of teachers transferred outwards in the year	3
Net inflow of teachers	4

Teachers Employment	
No of teachers required by CBE	64
No of teachers employed by TSC	48
Shortage / Surplus No of teachers before BOM teachers	16
No of teachers employed by BOM	7
Net Shortage of teachers	9

c) Mean score in the 2021KCSE:

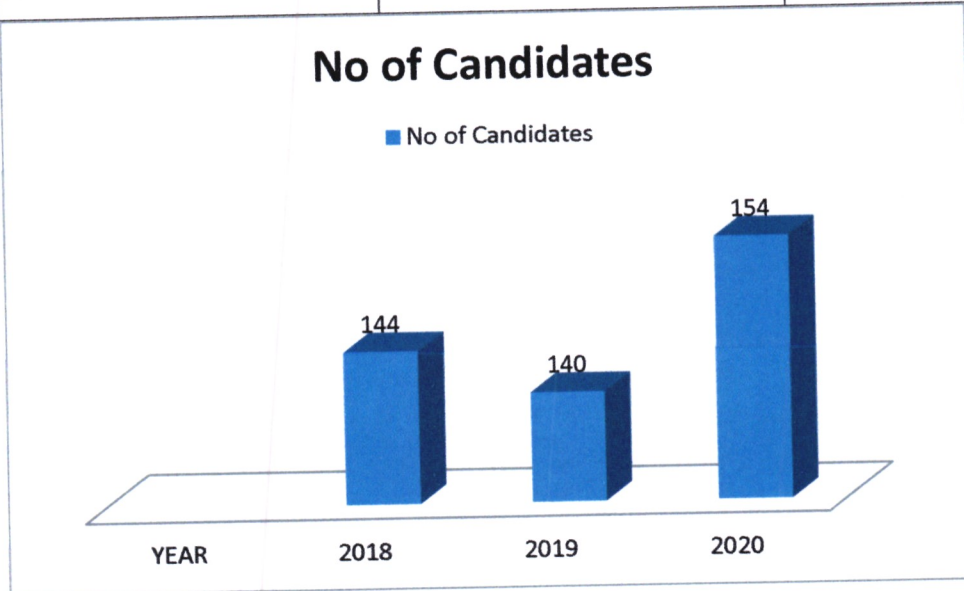
Mean Scores -3 Yr Trend

YEAR	Subjects											
	MATH	ENG	KISW	BIO	Chem	Phy	GEO	HIST	Agric	Bstud	Cre	Aggr
2,018	6	7	7	4	4	4	7	8	7	6	7	6.07
2,019	6	7	6	4	4	4	9	7	9	7	7	6.29
2,020	7	8	9	6	4	5	9	8	6	8	9	7.18
Average	6	7	7	5	4	4	8	8	7	7	8	6.52



d) Number of Candidates in the 2021 KCSE:

YEAR	No of Candidates	Comment
2018	144	
2019	140	
2020	154	



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e) Capacity of the school:

	Means of infrastructure measurement	Quantity of infrastructure required	Actual quantity of infrastructure available	Infrastructure gap
Classrooms	No	28	22	Shortage of classroom space equivalent to 6 classrooms
Laboratories	No	6	2	Shortage of lab space equivalent to 4 Laboratories
Toilet Doors	No	60	75	Nil
Offices	No	12	12	0
Dining Hall	Number of students well seated	1200	800	Shortage of dining space equivalent to 400 students not seated
Library	Number of students well seated	300	180	Shortage of library space equivalent to 120 students not seated.
Hostels	Number of Decker Beds well-spaced	600	590	10
Staffroom	Number of teachers well seated	63	30	Shortage of staffroom space equivalent to 33 teachers not seated
Boardroom	Number of BOM members well seated	25	25	nil
Textbooks	Average Students-Course book ratio	1:01	1:01	Nil
Water	Adequacy	Adequate	adequate	nil
Electricity	Adequacy	Adequate	adequate	nil
Staff housing	No of staff properly housed	81	27	Shortage of staffroom space equivalent to 54 staff not housed,,

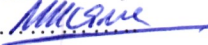
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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


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

The Board of Management of *Chania Girls Boarding* 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 period ended 30th June, 2021, and of the school's financial position as at that date.

Name: Raphael Mwangi Ikame
Designation: Chairman, School Board of Management
Sign: 

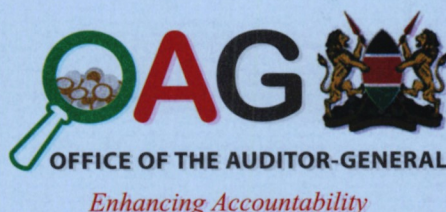
Date: 20/07/2022
Name: Mrs. M. Mwachigi
Designation: School Principal & Secretary to Board of Management
Sign: 

Date: 20/07/2023
Name: Miss Caroline Kibuchi
Designation: Bursar/ Finance Officer
Sign: 

Date: 20/07/2022

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 CHANIA GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 – KIAMBU 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 the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, 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 ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Chania Girls High School – Kiambu County set out on pages 20 to 40, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the statement of budgeted versus 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 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 Chania Girls High School – Kiambu County as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1.0 Unsupported Prepaid Fee

The statement of receipts and payments reflects income – other receipts school fund amount of Kshs.11,722,403 which as disclosed in Note 4 to the financial statements includes Kshs.2,728,766 in respect to prepaid fee. However, the balance was not supported by schedules and the list of students.

In the circumstances, the accuracy and completeness of the prepaid fees amount of Kshs.2,728,766 could not be confirmed.

2.0 Unsupported Inventory

Note 14 to the financial statements indicates that the inventory balance increased by Kshs.1,118,756 from Kshs.2,163,756 to Kshs.3,282,512. However, no supporting schedules were provided for audit review in support of the balances.

In the circumstances, accuracy and completeness of the inventory balance of Kshs.3,282,512 as at 30 June, 2021 could not be confirmed.

3.0 Unsupported Accounts Receivables

Annexure 1 to the financial statements reflects a balance of Kshs.9,104,004 in respect to fees arrears which comprised of long outstanding student debtors including students who had already completed their studies and left school. However, the aging analysis and ledger details were not provided in support of the accounts receivables. Further, the School did not have a Fee Policy/Debt Management Policy which serves as a guide on how to manage fees debtors.

In addition, fee amounting to Kshs.5,940,477 were over 3 years of age with some dating back to the year 2000. This implies that some of the students who owe the fees arrears have already completed schooling.

In the circumstances, the accuracy and recoverability of the outstanding debtors of Kshs.9,104,004 as at 30 June, 2021 could not be confirmed.

4.0 Unconfirmed of Fixed Assets Balance

Annexure 2 to the financial statements reflects a balance of Kshs.605,637,510 in respect to fixed assets. However, review of the documents provided for audit review revealed that the land balance of Kshs.468,000,000 was not supported by a surveyors' map and the title deed to confirm the ownership. Further, valuation of the assets had not been conducted to confirm their actual present value and a breakdown of the asset's balances including the additions for the period was not produced for audit verification. In addition, the assets had not been tagged with a unique code for easy identification.

In the circumstances, the accuracy, completeness, ownership and valuation of the property, plant and equipment balance of Kshs.605,637,510 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 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 August 20, 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 six months for financial year 2021 with comparative balances for financial year 2020. 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, Management did not comply with the guidelines issued by PSASB.

2.0 Untaxed Payments for Remedial Classes

Review of records provided for audit revealed that the School paid a total of Kshs.1,520,750 to teachers for remedial classes, for period ended 30 June, 2021. However, the payments were not subjected to taxation.

Failure to deduct and pay PAYE may attract penalties from Kenya Revenue Authority.

3.0 Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments reflects payments for school fund totalling Kshs.27,376,046 which as disclosed in Note 7 to the financial statements includes activity expenditure of Kshs.402,260. This includes an amount of Kshs.257,000 that the School transferred to Thika West District Secondary School Heads Association to fund co-curricular activities. However, it is noted that KESSHA is a welfare organization that draws its membership from School Principals only. This organization is not defined in Government Funding and there is no assurance that the cash transferred there was utilized in an effective, efficient and transparent financial management manner.

In the circumstances, the validity of the payments could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall 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 the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, and 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 control 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 control would not necessarily disclose all matters in the internal control 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 control 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to

the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 October, 2023

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

DESCRIPTION OF VOTE HEAD	Note	2021 Kshs	2020 Kshs
RECEIPTS			
Capitation grants for Tuition	1	1,241,652	1,338,088
Capitation grants for Operation	2	7,504,112	11,332,435
Parents' Contributions income School fund	3	17,564,006	42,784,077
Income- Other receipts School Fund	4	11,722,403	6,135,996
Income in Infrastructure	4a	1,838,000	4,488,000
Income in Farm	4b	-	-
Income in CDF	4c	-	-
TOTAL RECEIPTS		39,870,173	66,078,596
PAYMENTS			
Payments for Tuition	5	1,231,718	1,310,956
Payments for Operations	6	6,998,154	11,297,039
Payments for School Fund	7	27,376,046	46,821,373
Payments for Infrastructure	7a	2,915,620	2,005,920
Payments for Farm	7b	-	-
Payments for CDF	7c	-	-
TOTAL PAYMENTS		38,521,537	61,435,288
DEFICIT/SURPLUS		1,348,636	4,643,309

The school financial statements were approved on 20th July 2023 and signed by:

Sign: MWANGI

Name: Raphael M. Ikame

Chair BOM

Date: 20/07/2023

Sign: MWANGI

Name: MRS M. MWANGI

School Principal/
Secretary to BOM

Date:

20/07/2023

Sign: [Signature]

Name: Miss Caroline Kibuchi

Bursar/
Finance Officer

Date: 20/07/2023

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

	Note	2021	2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	5,818,073	5,063,723
Cash Balances	9	600,702	6,416
Short term Investment	10	46,884	46,884
Total Cash and cash equivalent		6,465,660	5,117,024
Account's receivables	11	-	-
TOTAL FINANCIAL ASSETS		6,465,660	5,117,024
FINANCIAL LIABILITIES			
Accounts Payables	12	-	-
NET FINANCIAL ASSETS		6,465,660	5,117,024
REPRESENTED BY			
Accumulated Fund b/fwd	13	5,117,024	473,715
Surplus/Deficit for the year		1,348,636	4,643,309
NET FINANCIAL POSITION		6,465,660	5,117,024

The School's financial statements were approved on _____ 2023 and signed by:

Name: Raphael M. Ikame
 Chairman, BoM

Sign: [Signature]

Date: 20/07/2023

Name: MRS. M. Mwachigi
 School Principal/Secretary
 to BoM

Sign: [Signature]

Date: 20/07/23

Name: Mrs. Caroline Wabuchi
 Bursar/Finance

Sign: [Signature]

Date: 20/07/2023

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

		2021	2020
	Note	Kshs	Kshs
Receipts for operating income			
Capitation grants for Tuition		1,241,652	1,338,088
Capitation grants for Operations		7,504,112	11,332,435
Income- Parents contributions/ fees School fund		17,564,006	42,784,077
Income- other receipts School fund		11,722,403	6,135,996
Receipts for Infrastructure		1,838,000	4,488,000
Total receipts		-	-
Payments		-	-
Payments for Tuition		39,870,173	66,078,596
Payments for Operations			
Payments for School fund		1,231,718	1,310,956
Total payments		6,998,154	11,297,039
Net cash flow from operating activities		27,376,046	46,821,373
		-	-
CASHFLOW FROM INVESTING ACTIVITIES		35,605,917	59,429,368
Proceeds from Sale of Assets		4,264,256	6,649,229
MIF projects			
Proceeds from investments			
Purchase of investments		-	-
Net cash flows from Investing Activities		(2,915,620)	(2,005,920)
CASHFLOW FROM BORROWING ACTIVITIES		-	-
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		(2,915,620)	(2,005,920)
Overdraft			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,348,636	4,643,309
Cash and cash equivalents at BEGINNING of the year		5,117,024	473,715
Cash and cash equivalent at END of the year		6,465,660	5,117,024

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

				Actual on Comparable Basis		
			Final		Budget Utilization	
Receipt/expenses Item	Original Budget	Adjustments	Budget		Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION INCOME</i>						
TUITION	1,972,800	-	1,972,800	1,196,871	775,929	61
ADMIN COSTS	-	-	-	44,781	(44,781)	#DIV/0!
Total CAPITATION GRANT ON TUITION INCOME	1,972,800	-	1,972,800	1,241,652	731,148	63
<i>(2) CAPITATION GRANT ON OPERATIONS INCOME</i>						
Non Teaching Staff	3,600,000	-	3,600,000	1,073,499	2,526,501	30
E.W. And Conservancy	1,981,200	-	1,981,200	916,912	1,064,288	46
L.T. And Travel	2,265,600	-	2,265,600	687,412	1,578,188	30
R.M. and Improvements	6,000,000	-	6,000,000	3,675,750	2,324,250	61
Administration Cost	2,833,200	-	2,833,200	1,149,169	1,684,031	41
Activity	2,400,000	-	2,400,000	-	2,400,000	-
Medical & Insurance	2,400,000	-	2,400,000	-	2,400,000	-
	-	-	-	1,370	(1,370)	#DIV/0!
Total CAPITATION GRANT ON OPERATIONS INCOME	21,480,000	-	21,480,000	7,504,112	13,975,888	35
<i>(3) FEES CHARGED ON PARENTS INCOME</i>						
Non Teaching Staff	7,200,000	-	7,200,000	1,529,977	5,670,023	21
BES	24,651,600	-	24,651,600	5,480,336	19,171,264	22
R.M. and Improvements	3,600,000	-	3,600,000	389,795	3,210,205	11

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E.W. And Conservancy	1,800,000	-	1,800,000	589,513	1,210,487	33
L.T. And Travel	2,400,000	-	2,400,000	599,172	1,800,828	25
Administration Cost	3,720,000	-	3,720,000	609,039	3,110,961	16
Activity	2,508,000	-	2,508,000	393,743	2,114,257	16
Uniform	-	-	-	4,940	(4,940)	#DIV/0!
Infrastructure	13,543,200	-	13,543,200	6,489,305	7,053,895	48
Service Gratuity	600,000	-	600,000	148,108	451,892	25
Library	1,200,000	-	1,200,000	183,815	1,016,185	15
PTA	6,320,400	-	6,320,400	1,120,426	5,199,974	18
Caution	-	-	-	13,090	(13,090)	#DIV/0!
other vote2	-	-	-	12,747	(12,747)	#DIV/0!
(3) FEES CHARGED ON PARENTS INCOME	67,543,200	-	67,543,200	17,564,006	49,979,194	26
School Fund -OTHER INCOME						
Farm	-	-	-	1,270	(1,270)	#DIV/0!
Rent	-	-	-	62,000	(62,000)	#DIV/0!
Other Inc & EXP	-	-	-	44,000	(44,000)	#DIV/0!
Infrastructure TRNSF	-	-	-	2,800,000	(2,800,000)	#DIV/0!
Student Deposits	-	-	-	3,498	(3,498)	#DIV/0!
Prepaid Fees	-	-	-	2,728,766	(2,728,766)	#DIV/0!
Fees arrears Income	-	-	-	6,082,869	(6,082,869)	#DIV/0!
School Fund -OTHER INCOME	-	-	-	11,722,403	(11,722,403)	#DIV/0!
INFRASTRUCTURE INCOME						
MIF GRANTS	-	-	-	1,838,000	(1,838,000)	#DIV/0!
Total INFRASTRUCTURE INCOME	-	-	-	1,838,000	(1,838,000)	#DIV/0!
(1) EXPENDITURE FOR TUITION						
TUITION	1,972,800	-	1,972,800	965,876	1,006,924	49
ADMIN COSTS	-	-	-	360	(360)	#DIV/0!
Creditors Expense	-	-	-	265,482	(265,482)	#DIV/0!

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Total EXPENDITURE FOR TUITION	1,972,800	-	1,972,800	1,231,718	741,082	62
(2) EXPENDITURE FOR OPERATIONS						
Non Teaching Staff	3,600,000	-	3,600,000	1,041,143	2,558,857	29
E.W. And Conservancy	1,981,200	-	1,981,200	801,695	1,179,505	40
L.T. And Travel	2,265,600	-	2,265,600	69,746	2,195,854	3
R.M. and Improvements	6,000,000	-	6,000,000	2,369,066	3,630,934	39
Administration Cost	2,833,200	-	2,833,200	1,076,635	1,756,565	38
Activity	2,400,000	-	2,400,000	-	2,400,000	-
Medical & Insurance	2,400,000	-	2,400,000	621,603	1,778,398	26
Creditors Expense	-	-	-	52,530	(52,530)	#DIV/0!
TOTAL EXPENDITURE FOR OPERATIONS	21,480,000	-	21,480,000	6,032,418	15,447,583	28
(3) EXPENDITURE FOR SCHOOL FUND						
Non Teaching Staff	7,200,000	-	7,200,000	1,987,457	5,212,543	28
BOARDING	-	-	-	-	-	#DIV/0!
BES	24,651,600	-	24,651,600	8,728,282	15,923,318	35
R.M. and Improvements	3,600,000	-	3,600,000	1,576,791	2,023,209	44
E.W. And Conservancy	1,800,000	-	1,800,000	1,023,645	776,355	57
L.T. And Travel	2,400,000	-	2,400,000	1,575,470	824,530	66
Administration Cost	3,720,000	-	3,720,000	2,810,617	909,383	76
Activity	2,508,000	-	2,508,000	402,260	2,105,740	16
Uniform	-	-	-	696,700	(696,700)	#DIV/0!
Infrastructure	13,543,200	-	13,543,200	3,654,674	9,888,526	27
Service Gratuity	600,000	-	600,000	100,000	500,000	17
Library	1,200,000	-	1,200,000	147,700	1,052,300	12
PTA	6,320,400	-	6,320,400	2,451,704	3,868,696	39
Caution	-	-	-	1,000	(1,000)	#DIV/0!

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School canteen	-	-	-	15,500	(15,500)	#DIV/0!
Creditors Expense	-	-	-	2,204,246	(2,204,246)	#DIV/0!
Fees arrears Income	-	-	-	-	-	#DIV/0!
TOTAL School fund Payments	67,543,200	-	67,543,200	27,376,046	40,167,154	41
INFRASTRUCTURE PAYMENTS						
MIF GRANTS	-	-	-	2,915,620	(2,915,620)	#DIV/0!
TOTAL INFRASTRUCTURE PAYMENTS	-	-	-	2,915,620	(2,915,620)	#DIV/0!
GRAND TOTAL PAYMENTS	90,996,000	-	90,996,000	37,555,801	53,440,199	41

VI. 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.

VII. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2,021	2,020
	Kshs	Kshs
TUITION	1,196,871	1,338,088
ADM COSTS	44,781	-
	1,241,652	1,338,088

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Non-Teaching Staff	1,073,499	2,179,110
E.W. And Conservancy	916,912	1,941,850
L.T. And Travel	687,412	953,925
R.M. and Improvements	3,675,750	3,447,500
Administration Cost	1,150,539	1,941,850
Activity	-	298,800
Medical & Insurance	-	149,400
B.O.M. TEACHERS	-	420,000
Total	7,504,112	11,332,435

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3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021	2020
	Kshs	Kshs
Non Teaching Staff	1,529,977	4,759,947
BOARDING	-	-
BES	5,480,336	17,324,314
R.M. and Improvements	389,795	1,275,194
E.W. And Conservancy	589,513	1,937,078
L.T. And Travel	599,172	1,973,395
Administration Cost	609,039	1,931,127
Activity	393,743	1,132,893
Uniform	4,940	681,104
Infrastructure	6,489,305	7,921,000
Service Gratuity	148,108	374,213
Library	183,815	456,224
PTA	1,120,426	2,984,898
Caution	13,090	32,690
Motor vehicle insurance	12,747	-
Sub-Total	17,564,006	42,784,077

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021	2020
	Kshs	Kshs
Bank Charges	-	-
Farm	1,270	32,450
Hire of Facilities	-	52,700
Rent	62,000	130,000
Tender	-	161,000
N.S.S.F	-	133,280
P.A.Y.E	-	220,503
N.H.I.F	-	155,100
Other Inc & EXP	44,000	-
Infrastructure TRNSF	2,800,000	-
Prepaid fees	2,728,766	2,547,567
Fees arrears Income	6,082,869	1,163,742
Total	11,722,403	6,135,996

Note 4a – INFRASTRUCTURE RECEIPTS

	2021	2020
	Kshs	Kshs
MIF GRANTS	1,838,000	4,488,000
Sub-Total	1,838,000	4,488,000

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
TUITION	965,876	1,167,716
ADMIN COSTS	360	240
CREDITORS EXPENSE	265,482	143,000
Total	1,231,718	1,310,956

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	
	Kshs	Kshs
Non Teaching Staff	2,006,879	1,499,199
E.W. And Conservancy	801,695	801,914
L.T. And Travel	69,746	277,504
R.M. and Improvements	2,369,066	6,796,683
Administration Cost	1,076,635	462,006
Activity	-	329,000
Medical & Insurance	621,603	778,983
B.O.M. TEACHERS	-	350,000
CREDITORS EXPENSE	52,530	1,750
TOTAL	6,998,154	11,297,039

7. BOARDING AND SCHOOL FUND PAYMENTS

	2021	2020
	Kshs	Kshs
Non Teaching Staff	1,987,457	4,424,502
BES	8,728,282	7,382,217
R.M. and Improvements	1,576,791	2,050,224
E.W. And Conservancy	1,023,645	991,986
L.T. And Travel	1,575,470	2,573,155
Administration Cost	2,810,617	2,939,769
Activity	402,260	583,685
Uniform	696,700	2,470
Infrastructure	3,654,674	14,258,345
Service Gratuity	100,000	-
Library	147,700	73,910
PTA	2,451,704	3,601,765
Caution	1,000	-
Bank Charges	-	120
Farm	-	32,700
Hire of Facilities	-	101,530
Rent	-	630
Tender	-	91,820
N.S.S.F	-	157,760
P.A.Y.E	-	230,283
N.H.I.F	-	179,800
IMpRESTS	-	1,731,825
Bursary Revenue	-	154,554
Prepaid Fees	-	2,489,718

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School canteen	15,500	-
Creditors Expense	2,204,246	2,768,605
TOTAL	27,376,046	42,445,276

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Note 7 a -Payments – INFRASTRUCTURE ACCOUNT

	2021	2020
	Kshs	Kshs
MIF GRANTS	2,915,620	2,005,920
Sub-Total	2,915,620	2,005,920

7 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
KCB_Tuition-(1102089109)	1102089109	81,847	71,913
KCB- OPERATION_(1102089966)	1102089966	542,725	36,766
KCB_SCHOOL FUND-(1102087416)	1102087416	3,018,979	1,926,659
KCB_BUSINESS AC (1206242477)	1206242477	34,030	181,730
EQUITY_C.D.F II (0090266417370)	009266417370	1,894	1,894
EQUITY_C.D.F (0191071561)	0911071561	344,073	344,073
Equity-CURRENT ACC (0090290051938)	0090290051938	377,219	5,762
KCB_INFRASTRUCTURE_(1257947540)	1257947540	1,417,306	2,494,926
Total Bank Balances		5,818,073	5,063,723

8 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
School Fund	600,702	6,416
Total Cash Balances	600,702	6,416

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9 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Savings Account Investment	46,884	46,884
Total	46,884	46,884

10 FUND BALANCE BROUGHT FORWARD

Description	2021	2020
	Kshs	Kshs
Bank balances	5,063,723	426,831
Cash balances	6,416	-
Short Term Investments	46,884	46,884
Receivables	-	-
Payables	-	-
Total	5,117,024	473,715

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.

11 Non-current Liabilities Summary

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

12 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Trees	150	225000	150000
Total		225000	150000

13 Borrowings

Description	2,021	2,020
	KShs	KShs
Borrowing at beginning of the year	-	xxx
Borrowings during the year	-	xxx
Repayments of during the year	-	(xxx)
Balance at end of the year	-	xxx

Other important disclosure notes

14 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
Stock/ inventory at beginning of the year	2,163,756	1,866,252
Stock/ inventory purchased during the year	18,784,565	24,942,951
Stock/ inventory issued during the year	17,665,809	24,645,447
Balance at end of the year	3,282,512	2,163,756

15 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
1	Sundry creditors	Both trade and general creditors to be paid on time. Prepaid fees to be receipted as revenue in the ensuing financial year.	Resolved	N/A
2	Sundry debtors	Resolved to come up with new strategies of fees arrears recoveries. Harmonise and cease inter-borrowing.	Partially resolved.	Continuous
3	Caution money	Has ceased to collect caution money and keeps refunding students as they come for clearance.	Resolved	N/A
4	Funded accounts	CDF account no longer receives money. Examination fee is no longer collected from students. Bursary fund is allocated to needy students in the ensuing year	Resolved	N/A
5	Overdrawn accounts	The management agreed to undertake projects with the budget. Farm project was shut down since it was not viable	Resolved	N/A
6	Income and expenditure A/C	The management agreed to expend within the budget whereas excess income was receipted as income in the ensuing year.	Resolved	N/A

ANNEX 1 – DEBTS DISCLOSURE

(a) Creditors

The school had unpaid commitments amounting to Ksh 229,659 which was brought forward from the previous years.

(b) Debtors

The school was owed fees balances amounting to Ksh 9,104,004 which was accumulated over years.

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f as at 1 st January 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f As at 30 th June 2021
Land 1	468,000,000			468,000,000
Buildings and structures	98,649,384	10,180,634		108,830,018
Motor vehicles	3,340,000			3,340,000
Office equipment, furniture and fittings	8,739,400	889,400		9,628,800
ICT Equipment, and Other ICT Assets	1,305,000			1,305,000
Tools and apparatus	2,896,696	396,696		3,293,392
Textbooks	7,500,000	1,500,000		9,000,000
Other Machinery and Equipment	1,255,150	505,150		1,760,300
Heritage and cultural assets	-			-
Intangible assets- soft ware	345,000	135,000		480,000
Total	592,030,630	13,606,880	-	605,637,510