

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 FEB 2025	DAY: Wed
REPORT BY: Hon. Samuel Cheplanga, MP	
CLERK-AT THE-TABLE:	M. Mado

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**REPORT**

**OF**

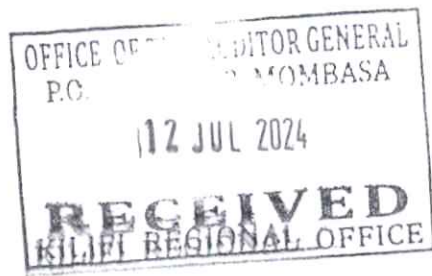
**THE AUDITOR-GENERAL**

**ON**

**KILIFI TOWNSHIP SECONDARY SCHOOL**

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

**KILIFI COUNTY**



*KILIFI TOWNSHIP SECONDARY SCHOOL*  
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2021

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

*KILIFI TOWNSHIP SECONDARY SCHOOL*

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

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KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

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**I. Key School Information And Management**

*[Customise the details in this section to suit your School]*

**(a) Background information**

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

The school was registered in 16-8-2010 under registration number GP/A/8931/10 and is currently categorized as a county school (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a boarding school and had 1031 number of students as at 30<sup>th</sup> June 2021. It has 5 streams and 42 teachers of which 11 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	Salim bakari rashid	Bom chair	3/7/2019
2	Charo ali katan	Secretary – Principal	3/7/2019
3	Andrew kalama	Member	3/7/2019
4	Alex kalama fondo	Member	3/7/2019
5	Dobson chiro mwahunga	P.A chairman /member	3/7/2019
6	Lynette a shaha	Member	3/7/2019
7	Japhet mureithi	Member – Rep CEB	3/7/2019
8	Daniel o obiero	Member Rep Teachers	3/7/2019
9	Dr anderson kahindi Rev onesmus koi Dora mitingi mulewa	3 Members – Sponsor	3/7/2019
10	Athman matano	Member – Community	3/7/2019
11	Salim rashid bakari	Member Special Needs	3/7/2019
12	James foti	Rep Students	3/7/2019

KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

*Key School Information and Management (Continued)*

**The function of the School Board of Management include:**

- Promote the best interests of the Kilifi township secondary 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 Kilifi township secondary 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 Kilifi township secondary 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 Kilifi township secondary 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	Salim rashid bakari Charo ali katana Dobson c mwahunga Lynette shaha Saumu mwadime	Chairman Secretary Member Member member	6
2	Audit Committee	Andrew kalama Japheth mureithi Dobson c mwahunga	Chairman Member member	3
3	Finance, procurement and general purposes Committee	Japheth mureithi Andrew kalama Lynette shaha Dobson chiro	Chairman Member Member Member	3
4	Academic Committee	Lawrence chiro Daniel obiero James foti Dora mitingi mulewa	Chairman Member Student /member member	5
5	Development Committee	Dobson chiro Charo ali katana Andrew kalama Salim bakari	Chairman Secretary Member member	4
6	Discipline and welfare Committee	Athman matano Dora mitingi mulewa Saumu mwadime Rev onesmus koj	Chairman Member Member member	3
7	Adhoc Committee (if any during the year)	Dobson chiro mwahunda Charo ali katana Salim bakari Andrew kalama	Chairman Secretary Member member	

### School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Charo ali katana	337158
2	Deputy Principal	John mrima mwngala	371851
3	School Bursar	Philipinar mwaka deche	N/A

#### (d) Schools contacts

Post Office Box: P.O BOX 16 KILIF  
Telephone: 0722358293  
E-mail: ktownshipfinance@gmail .com  
Website: XXXXXXXXX  
Facebook:  
Twitter:

#### (e) School Bankers

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

1. Name of Bank: Kenya Commercial Bank  
Branch: Kilifi  
Account Number: 1107271916  
Account number 1102229113  
Account number 1102228788  
Account number 1101535245  
111763275
2. MPESA Pay Bill No.522123/60028k attached to KCB bank account
3. EQUITY BANK 1060280890438
4. Infrastructure account 1257865690

**(f) 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**

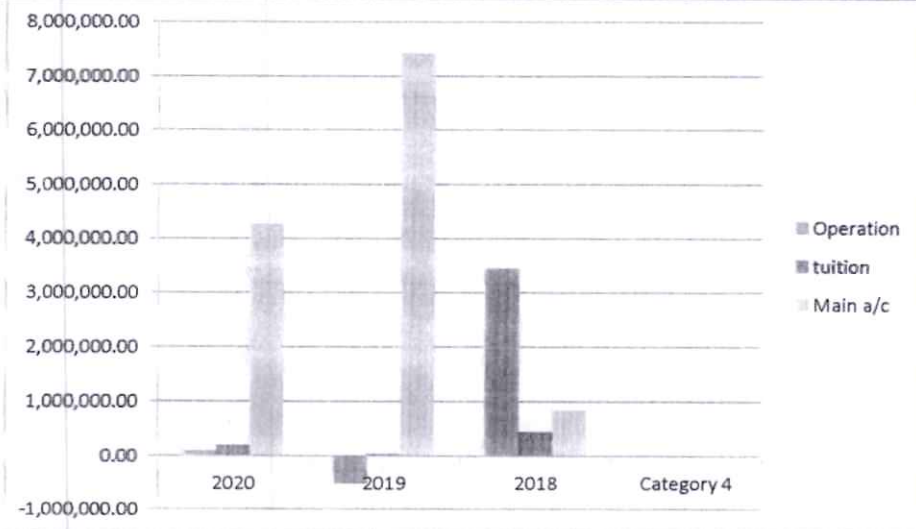
The following is a summary report of the performance of the school against the set performance evaluation criteria:

**a) Financial performance:**

*(Under this section, the following information should be given:*

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

year	Operation	tuition	Main a/c	totals
2021	93,632.00	193,684.00	4,260,288.33	4,547,604.33
2020	(519,974.10)	39,576.30	7,426,276.78	6,945,878.98
2019	3,448,876.00	447,138.85	834,781.35	4,730,796.20

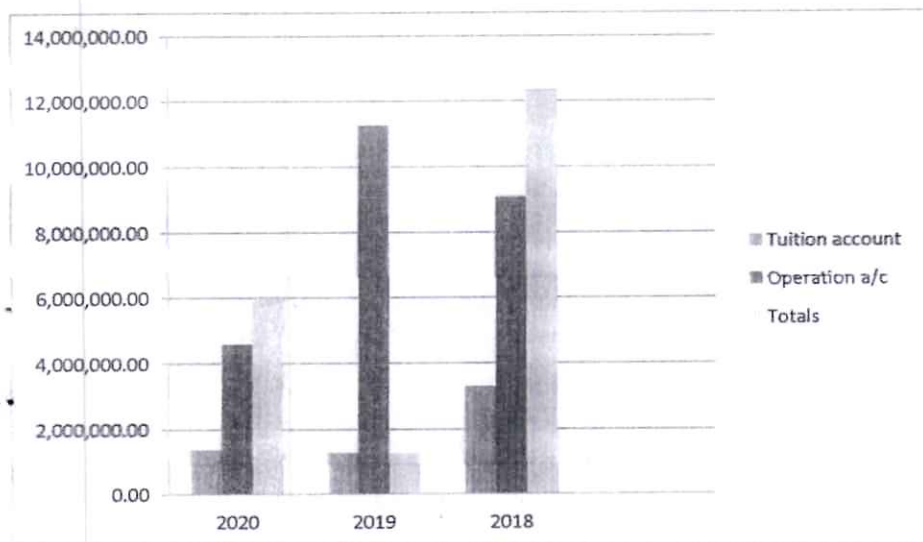


**KILIFI TOWNSHIP SECONDARY SCHOOL**

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

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

Year	Tuition account	Operation a/c	Totals
2021	1,053,700.00	7,500,210.00	8,553,910.00
2020	1,371,890.00	4,574,190.00	5,946,080.00
2019	1,283,145.00	11,249,778.90	1,253,923.00

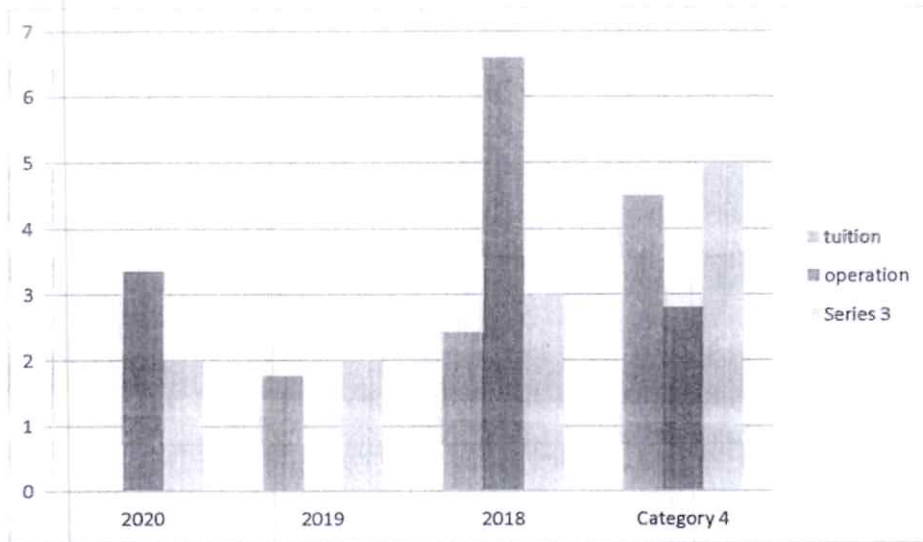


*Ratio of capitation grant per student over the last three years*

Year	tuition	operation
2020	1:11694	1:4757
2019	1:2477	1:11694
2018	1:3424	1:9433

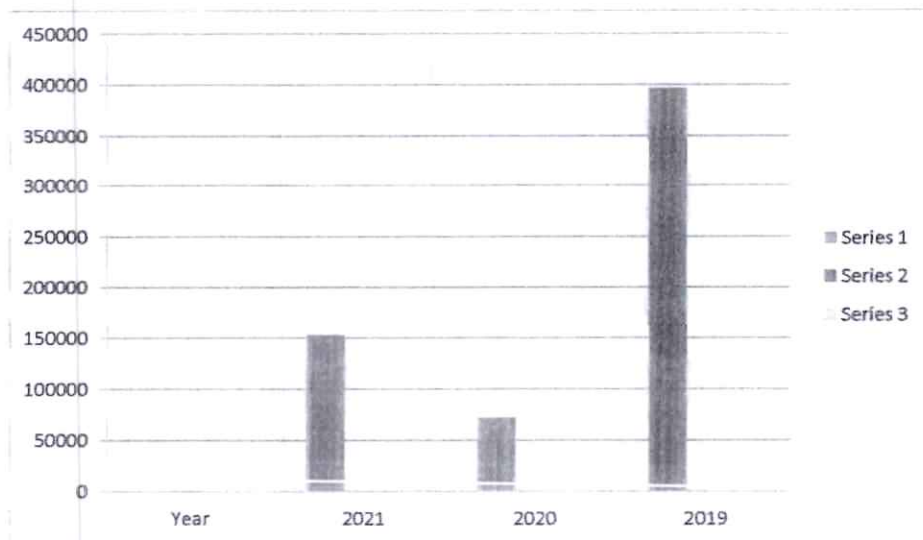
KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021



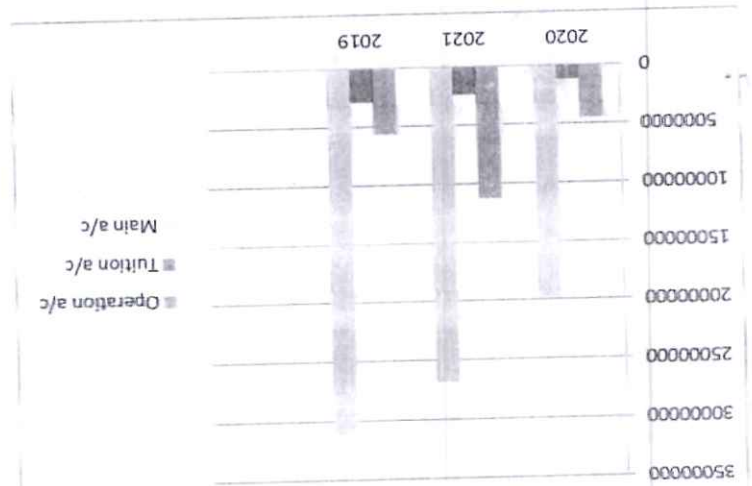
- A three-year overview of growth of other income(s) earned by the school.

Year	bus
2021	152,500.00
2020	71,500.00
2019	396,500.00



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

Year	Operation a/c	Tuition a/c	Main a/c
2019	562,6031.14	2,846,769.95	31,042,936.65
2020	4,480,588.00	1,178,206.00	19,770,087.67
2021	1,803,157.00	1,315,157.00	16,982,706.00



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

Year	Debtors	Creditors
2019	5,396,144.00	464,330.00
2020	3,384,202.00	-
2021	3,794,788.00	-

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends).

**B Teacher Student ratio:**

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

NO. of students 1,180

No. of teachers :TSC 31

:BOM 12

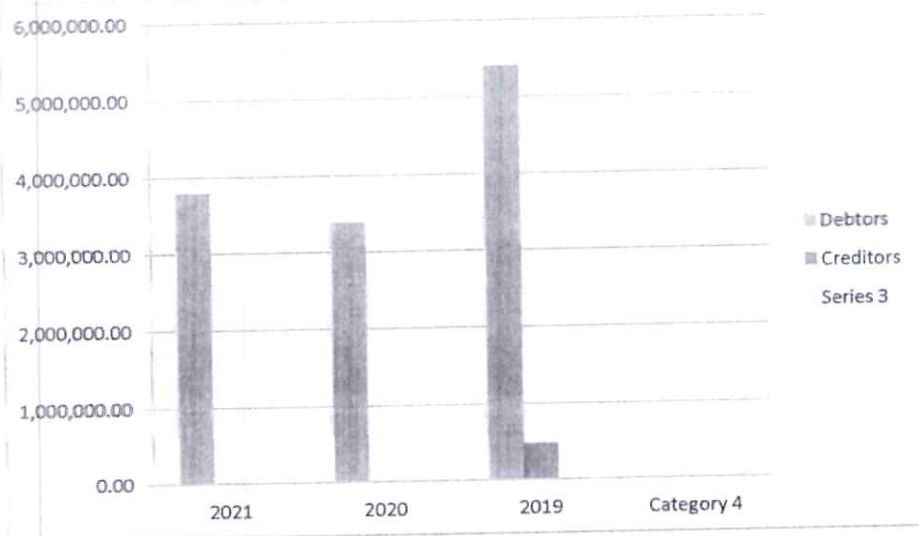
Teacher student ratio 1:27

Teachers recruited and posted to the school 1

There are no teachers transferred during the year.

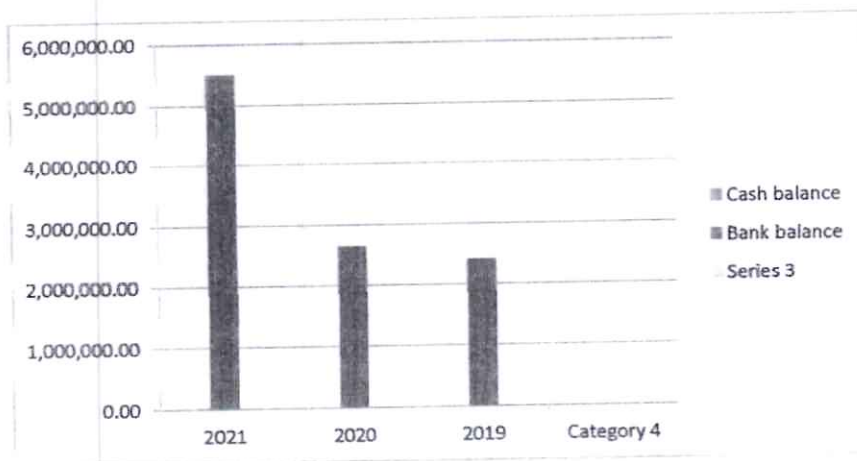
SUBJECT	TSC	BOM4	TOTAL
English	4	4	8
Maths	9	4	13
Kiswahili	5	3	8
Biology	8	1	9
Chemistry	4	2	6
Physic	4	1	5
History	4	1	5
Geography	4	1	5
Cre	4	1	5
Ire	2	1	3
Agriculture	2	1	3
Business studies	2	1	3
Computer	1	-	1

**KILIFI TOWNSHIP SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021**



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

Year	Cash balance	Bank balance
2021	13,992.00	8,889,232.10
2020	12,610.00	2,276,585.30
2019	5,566.00	2,415,198.93



**KILIFI TOWNSHIP SECONDARY SCHOOL**

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

Homescience	1	-	1
arabic	-	1	1

**b) Mean score in the 2021 KCSE:**

*Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.*

s/no	Year	Mean score
	2021	5.19
	2020	5.7
	2019	5.4169

**c) Number of Candidates in the 2021 KCSE:**

*(Tabulate the number of candidates sitting for KCSE over the last three years).*

s/no	Year	No. of students
	2021	205
	2020	138
	2019	134

**d) Capacity of the school:**

*(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).*

Enrolment	No. of classroom permanent	Toilet/pit		No. of other facility					
		staff	boys	Lab	Workshop temporary	Kitchen	dorm	bakery	Homescience Lab
1031	22	4	74	3	1	1	7	1	1

**KILIFI TOWNSHIP SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021**

*Summary Report of the Performance of the School (Continued)*

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

*(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).*

s/n	Project name	Amount	Status	Source
1	Dorm			
2	Extension of 4 classroom	786,000	Complete	PTA
3	extension of 1 classroom	500,000.00	completed	PTA
4	Construction of 10 door toilet	1,854,288.00	completed	MOE

**PRINCIPAL**  
**KILIFI TOWNSHIP SEC. SCHOOL**  
**P. O. Box 16 - 00108, KILIFI**

Date: .....

Sign: .....

School Principal


**III. Statement Of School Management Responsibility**

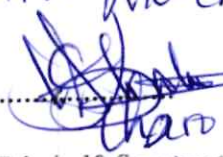

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

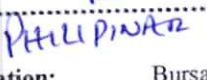
The Board of Management of *Kilifi Township Secondary school* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

  
Name: Benjamin Mwangi  
Designation: Chairman, School Board of Management  
Date: BENJAMIN MWANGI 11/7/2024

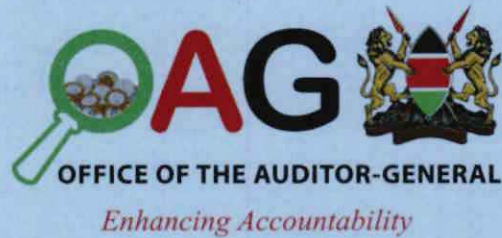
  
Name:   
Designation: School Principal & Secretary to Board of Management  
Date: 11/07/2024  
Date: .....  
Sign: .....

**PRINCIPAL**  
KILIFI TOWNSHIP SEC. SCHOOL  
P. O. BOX 80108, KILIFI

  
Name: PHILIPWAR DECHE  
Designation: Bursar/ Finance Officer  
Date: 11/7/2024

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: 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 KILIFI TOWNSHIP SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - KILIFI COUNTY

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Kilifi Township Secondary School - Kilifi County, set out on pages 1 to 13, 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 cashflows, statement of comparison of budget and actual amounts for the six months period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kilifi Township Secondary School - Kilifi County as at 30 June, 2021, and of its financial performance and its cash flows for the period then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and Basic Education Act, 2013.

### **Basis for Qualified Opinion**

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

The statement of receipts and payments reflects total capitation grants amounting to Kshs.8,553,911 made up of capitation grants for tuition and operations amounts of Kshs.1,053,701 and Kshs.7,500,210 respectively, as disclosed in Notes 1 and 2 to the financial statements. Review of the National Education Management Information System (NEMIS) capitation disbursements made to the School against the amount received by the School revealed an amount of Kshs.8,950,633 whereas the School records reflects an amount of Kshs.8,553,911, resulting to an unexplained variance of Kshs.396,722.

Further, the statement of budgeted versus actual amounts reflects total actual receipts amounting to Kshs.34,743,934. However, recasting the amounts yielded Kshs.25,052,623 resulting in a variance of Kshs.9,691,311. Similarly, the statement reflects total actual expenditure of Kshs.27,401,854 while recasting the amount yielded Kshs.20,101,312 resulting in a variance of Kshs.7,300,542.

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

#### **2. Failure to Disclose Other Receipts**

The statement of receipts and payments reflects Kshs.12,962,006 in respect of other receipts, as disclosed in Note 4 to the financial statements. However, the amount excludes revenue from school bakery, which the school operated.

In the circumstances, the accuracy and completeness of other receipts amounting to Kshs.12,962,006 could not be confirmed.

### **3. Unsupported Payments**

The statement of receipts and payments reflects total payments in relation to tuition, operations, boarding and school fund amounting to Kshs.25,273,336 as detailed in Note 6, 7 and 9 to the financial statements. However, examination of payment vouchers amounting to Kshs.3,597,738 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the payments amounting to Kshs.25,273,336 could not be confirmed.

### **4. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.8,903,224 as detailed in Note 8 and 9 to the financial statements. However, the bank balances were not supported by bank certificates and bank reconciliation statements. Further, board of survey report to support the cash at hand was not provided for audit.

In the circumstances, the accuracy and completeness of the Kshs.8,903,224 in respect of cash and cash equivalents could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kilifi Township 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.48,359,818 and Kshs.25,052,623 respectively, resulting in an under-funding of Kshs.23,307,195 or 48% of the budget. However, the School spent a balance of Kshs.20,101,312 against actual receipts of Kshs.25,052,623 resulting in an under-utilization of Kshs.4,951,311 or 20% of actual receipts.

The under-funding and 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.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

As required by Article 229(6) of the Constitution, based on the 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. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 13 May, 2024, instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MO E/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

### **2. Failure to Transfer Infrastructure Funds from the Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.7,500,210 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.3,192,500 in respect of infrastructure grants which was to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.2,792,500 was transferred to infrastructure account, leaving a balance of Kshs.400,000 as at 30 June, 2021.

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

### **3. Lack of Approved Budget and Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.30,311,742 and Kshs.25,273,336 in respect of total receipts and total 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 requires a procuring entity to 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.

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 overall governance, were not effective.

### Basis for Conclusion

#### 1. Lack of a Functional Audit Committee

During the year under review, the school had an audit committee comprising three (3) members. However, the minutes of the audit committee meetings were not provided for audit review. The School therefore, did not comply with Regulations 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which require 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 may not have benefited from the oversight role and advice from the audit committee and the internal audit function.

#### 2. Lack of Fixed Assets Register and Asset Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with a balance of Kshs.835,000. This includes land and motor vehicle with unknown value. However, land ownership documents and motor vehicle logbooks were not provided for audit.

In the circumstance, the ownership and safe custody of fixed assets could not be confirmed.

#### 3. 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:

- (i) The statement of budgeted versus actual amounts did not have totals for all the columns as per the template.
- (ii) Some amounts in the financial statements were presented with decimal points as opposed to whole numbers
- (iii) The financial statements had inconsistent pagination.

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.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 control, 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 governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal 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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain 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 Corporation to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
 FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**18 September, 2024**


KILIFI TOWNSHIP SECONDARY SCHOOL


Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

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

Description Of Vote Head	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Receipts</b>			
Capitation grants for tuition	1	1,053,700.50	1,371,890.00
Capitation grants for operations	2	7,500,210.00	4,574,190.00
School fund income- parents' contributions	3	8,795,826.00	10,691,879.00
School fund income- other receipts	4	12,962,006.00	13,266,937.00
Proceeds from borrowings		-	-
<b>Total Receipts</b>		<b>30,311,742.00</b>	<b>29,904,896.00</b>
<b>Payments</b>			
Tuition	6	1,312,349.00	1,179,158.00
Operations	7	4,595,657.00	4,479,158.00
Infrastructure	8	-	-
Boarding and school fund	9	19,365,330.00	19,105,956.67
<b>TOTAL PAYMENTS</b>		<b>25,273,336.00</b>	<b>24,764,272.67</b>
<b>SURPLUS/DEFICIT</b>		<b>5,038,406.00</b>	<b>5,140,623.33</b>

The school financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
 Name: BEDDOM MUKIBI  
 Chair BOM

  
 Name: CHRIS ALI  
 School Principal/ Secretary to BOM

  
 Name: PHILIPINAZ DECHU  
 Bursar/ Finance Officer

Date: 11/7/2021

Date: 11/07/2021

Date: 11/7/2021

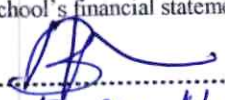
KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

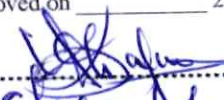
VI. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2021

Description	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank Balances	10	8,889,232.10	2,276,585.30
Cash Balances	11	13,992.00	12,610.00
Short term Investment	12	-	-
<b>Total Cash and cash equivalent</b>		<b>8,903,224.10</b>	<b>2,289,195.30</b>
Account's receivables	13	48,746,378.12	41,567,388.12
<b>TOTAL FINANCIAL ASSETS</b>		<b>57,649,602.22</b>	<b>43,856,583.42</b>
<b>Financial liabilities</b>			
Accounts Payables	14	1,960,371.00	256,409.00
<b>NET FINANCIAL ASSETS</b>		<b>55,689,231.22</b>	<b>43,600,174.42</b>
<b>Represented by</b>			
Accumulated Fund b/fwd	15	50,650,815.22	38,459,551.09
Surplus/Deficit for the year		5,038,406.00	5,140,623.33
<b>NET FINANCIAL POSITION</b>		<b>55,689,221.22</b>	<b>43,600,174.42</b>

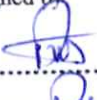
The school's financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
Name: BENJAMIN MUKI

Chair BOM  
Date: 11/7/2021

  
Name: CHARO AHI  
School Principal/ Secretary to BOM

BOM  
Date: 11/07/2021

  
Name: PHILIPINAZ DECHIZ  
Bursar/ Finance Officer

Date: 11/7/2021

VII. Statement of Cash Flows for The Period Ended 30<sup>th</sup> June 2021

KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

Description	Notes	2020-2021	2019-2020
		Kshs	Kshs
<b>Operating activities</b>			
<b>Receipts</b>			
Capitation grants for tuition	1	1,053,700.50	1,371,890.00
Capitation grants for operations	2	7,500,210.00	4,574,190.00
School fund income- parents contributions/ fees	3	8,795,826.00	10,691,879.00
School fund income- other receipts	4	12,962,006.00	13,266,937.00
<b>Total receipts</b>		<b>30,311,742.00</b>	<b>29,904,896.00</b>
<b>Payments</b>			
Payments for tuition	5	1,312,349.00	1,179,158.00
Payments for operations	6	4,595,657.00	4,479,158.00
Boarding and school fund payments	7	19,365,330.00	19,105,956.67
<b>Total payments</b>		<b>25,273,336.00</b>	<b>24,764,272.67</b>
<b>Net cash flow from operating activities</b>		<b>5,038,406.00</b>	<b>5,140,623.33</b>
<b>Cashflow from investing activities</b>			
Proceeds from sale of assets		-	-
Acquisition of assets		(1,575,622.80)	
Proceeds from investments		-	(120)
Purchase of investments		-	-
<b>Net cash flows from investing activities</b>		<b>(1,575,622.80)</b>	<b>(2,792,000)</b>
<b>Cashflow from borrowing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>6,614,028.80</b>	<b>2,348,123.33</b>
Cash and cash equivalent at beginning of the year		2,289,195.30	2,892,064.00
<b>Cash and cash equivalent at end of the year</b>		<b>8,903,224.10</b>	<b>2,289,195.30</b>

The school's financial statements were approved on 11/07/2024 and signed by:

Name: Benjamin Mwen      Name: Charles A. W.      Name: Philipina Deche  
 Chair BOM      School Principal/ Secretary to BOM      Bursar/ Finance Officer  
 Date: 11/7/2024      Date: 11/07/2024      Date: 11/7/2024

KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials	-	-	-	-	-	-
Exercise Books	1,412,040.00	-	1,412,040.00	-	1,297,315.00	8.122481
Laboratory Equipment	588,432.00	-	588,432.00	14,725.00	-	-
Internal Exams	357,684.00	-	357,684.00	-	-	-
Teaching / Learning Materials	143,664.00	-	143,664.00	1,038,975.00	(895311.00)	90.4772
Chalks	58,548.00	-	58,548.00	-	-	0
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
<b>Totals</b>				<b>1,053,700.50</b>		
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments	5,547,792.00	-	5,547,795.00	3,208,594.00	2,339,197.00	57.8355
Repairs And Maintenance	4,920,000.00	-	4,920,000.00	2991750.00	1,928,250.00	60.8079
Local Transport / Travelling	1,233,936.00	-	1,233,936.00	354,408.00	879,528.00	28.7217
Electricity And Water	1,233,936.00	-	1,233,936.00	445,896.00	788,040.00	36.1360
Medical	1,968,000.00	-	1,968,000.00	-	-	-
Administration Costs	1,233,936.00	-	1,233,936.00	445,367.00	788,569.00	36.0932
Activity	1,476,000.00	-	1,476,000.00	-	-	-
Smasse	196,800.00	-	196,800.00	-	-	-

**KILIFI TOWNSHIP SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Special Grant	-	-	-	<b>7,005,210.00</b>	6723584.00	52.55
Totals	-	-	-	<b>7,005,210.00</b>	6723584.00	52.55
<i>(3) Fees Charged on Parents</i>						
Personnel Emoluments	4,421,112.00	-	4,412,112.00	2,535,289.00	1,876,822.00	79.46
Repairs And Maintenance	1,701,336.00	-	1,701,336.00	651,914.00	1,049,422.00	7.89
Local Transport / Travelling	2,52,396.00	-	2,52,396.00	1,216,475.00	1,307,485.00	88.55
Electricity And Water	1,58,916.00	-	1,58,916.00	761,468.00	827,692.00	85.71
Medical	-	-	-	-	-	0
Administration Costs	2,442,288.00	-	2,442,288.00	1,169,705.00	1,272,583.00	47.8938
Activity	208,608.00	-	208,608.00	78,650.00	129,958.00	98.84
Snasse	-	-	-	-	-	-
Fee On Boarding Equipment and Stores	15,111,583.00	-	15111583.00	10,139,406.00	4,972,177.00	(102.10)
<b>Totals</b>	<b>43310071</b>		<b>43310071</b>	<b>16,552,907.00</b>	<b>17065854</b>	<b>60.60</b>
<i>Other Income</i>						
Infrastructure	-	-	-	-	-	-
Transfer op	-	-	-	-	-	-
Bursary	-	-	-	-	-	-
Income from bus hire	-	-	-	-	-	-
Salary advance	-	-	-	-	-	-
Fee For Hire of Ground And Equipment	-	-	-	-	-	-

KILLIFI TOWNSHIP SECONDARY SCHOOL  
Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

Receipt/Expenses Item	a	b	c=a+b	d	e=d-a	% of Utilization
Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Utilization Difference		
Kshs		Kshs		Kshs		ed/c %
Total income	-	-	34,743,933.50	-	-	-
(1) Expenditure For Tuition						
Textbooks And Reference Materials	-	-	-	12,000.00	(1200.00)	0.00
Exercise Books	341,800.00	-	341,800.00	483,000.00	(141800.00)	141.31
Laboratory Equipment	1,351,586.00	--	1,351,586.00	413,146.00	938,440.00	30,5675
Internal Exams	481,500.00	-	481,500.00	71,800.00	409700.00	14.91
Teaching / Learning Materials	597,000.00	-	597,000.00	311,988.00	285,012.00	52.26
Chalks	-	-	-	18,700.00	(18,700.00)	0.00
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
Administration Costs	-	-	-	-	-	-
Bank Charges	-	-	-	4,515.00	(4,515.00)	0.00
Totals	27771886		2771886	1,312,347.00	1459537	51.05
(2) Expenditure For Operations						
Personnel Emoluments	5,612,719.00	-	5,612,719.00	657,957.00	5028354.00	10.41
Repairs, Maintenance & Improvements	4,261,600.00	-	4,261,600.00	165,637.00	4095963.00	3.89
Local Transport / Travelling	2,673,286.00	-	2,673,286.00	1,500.00	2,671,786.00	0.06
Electricity, Water and Conservancy	1,783,460.00	-	1,783,460.00	205,323.00	1,578,137.00	11.5126
Administration Costs	1,981,238.00	-	1,918,238.00	709,620.00	1,271,618.00	35.82
Activity Expenses	1,892,023.00	-	1,892,023.00	63,000.00	1,829,023.00	3.3230
Bank charge	--	-	-	120.00	(120.00)	0.00

**KILIFI TOWNSHIP SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021**

Receipt/Expenses Item	Original Budget a K.shs	Adjustments b K.shs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d K.shs	% of Utilization f=d/c % K.shs
<b>TOTALS</b>	<b>1820436.00</b>		<b>18204326.00</b>	<b>1,803,157.00</b>	<b>11,783,914.00</b>	<b>35.27</b>
<i>(3) Expenditure For School Fund</i>						
Personnel Emoluments	5,612,719.00	-	5,612,719.00	3,738,304.00	1,874,415.00	58.00
Repairs, Maintenance and Improvements	4,261,000.00	-	4,261,000.00	245,075.00	4,015,925.00	61.6686
Local Transport / Travelling	2,673,286.00	-	2,673,286.00	157,200.00	2,516,086.00	5.8804
Electricity, Water and Conservancy	1,783,460.00	-	1,783,460.00	664,395.00	1,119,065.00	37.2531
Medical Expenses	-	-	-	9,000.00	(9,000.00)	0.00
Administration Costs	1,981,238.00	-	1,981,238.00	1,754,691.00	559,178.00	71.78
Activity	1,892,023.00	-	1,892,023.00	1,044,409.00	847,614.00	55.2007
Bus maintance	-	-	-	134,000.00	(134,000)	0.00
Boarding Equipment and Stores	14,499,468.00	-	14,499,468.00	6,068,109.00	8,431,359.00	41.85
Insurance Costs	-	-	-	135,749.00	(135,749.00)	0.00
Bursary	-	-	-	2,668,400.00	(2,668,400.00)	0.00
Academic improvement	-	-	-	315,674.00	(315,674.00)	0.00
Student identy card	-	-	-	48,000.00	(48,000.00)	0.00
<b>Totals</b>	<b>53679406.00</b>	<b>xxx</b>	<b>53679406.00</b>	<b>16,982,706.20</b>	<b>13034101.00</b>	<b>60.14</b>
				<b>27,401,854.00</b>	<b>26277552.00</b>	<b>51.05</b>

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

- i. Kxxx
- ii. Kxxx

**IX. Significant Accounting Policies**

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

**1. Statement of compliance and basis of preparation**

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

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**Significant Accounting Policies (Continued)**

5. **Accounts Receivable**  
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
6. **Accounts Payable**  
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.
7. **Non-current assets**  
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
8. **Budget**  
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The school's budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
9. **Comparative figures**  
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.
10. **Subsequent events**  
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

**X. Notes To The Financial Statements****1 Capitation Grant for Tuition**

Description	2020-2021	2019-2020
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books		8,740.00
Laboratory Equipment	14,725.00	93,500.00
Internal Exams	-	1,269,650.00
Teaching / Learning Materials	1,038,975.00	-
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
<b>Total</b>	<b>1,053,700.50</b>	<b>1,371,890.00</b>

**2 Capitation Grant for Operations**

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	3,208,595.00	2,838,290.00
Repairs and Maintenance	2,991,750.00	-
Local Transport / Travelling	354,408.00	228,095.00
Electricity and Water	445,896.00	494,157.00
SPECIAL GRANT	53,595.00	107,190.00
ABOGE	600	137,200.00
Administration Costs	445,367.00	494,858.00
ACTIVITY	-	274,400.00
<b>Total</b>	<b>7,500,211.00</b>	<b>4,574,190.00</b>

KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

3 Parents Contribution/Fees - School Fund Account

Description	2020-2021	2019-2020
		Kshs
Personnel emoluments	2,535,289.00	2,690,754.00
Repairs and maintenance	3,034,538.00	1,621,308.00
Local transport / travelling	1,216,475.00	2,043,905.00
Electricity and water	761,468.00	1,753,584.00
Activity	78,650.00	480,948.00
Administration costs	1,169,406.00	2,101,380.00
<b>Total</b>	<b>8,795,826.00</b>	<b>10,691,879.00</b>

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

Description	2020-2021	2019-2020
	Kshs	Kshs
Bes	10,139,406.00	13,266,937.00
Bursary	2,668,400.00	-
Bus maintenance	152,500.00	-
Exam private candidates	1,700.00	-
<b>Total</b>	<b>12,962,006.00</b>	<b>13,266,937.00</b>

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

KILIFI TOWNSHIP SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2021

5 Payments For Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Textbooks And Reference Materials	12,000.00	-
Exercise Books	483,000.00	430,840.00
Laboratory Equipment	413,146.00	22,275.00
	71,800.00	
Internal Exams		472,383.00
Teaching / Learning Materials	311,988.00	250,830.00
Chalks	18,700.00	-
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	1,715.00	1,878.00
<b>Total</b>	<b>1,312,349.00</b>	<b>1,179,158.00</b>

6 Payments For Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	657,957.00	3,209,474.00
Administration Cost	709,740.00	626,100.00
Repairs And Maintenance & Improvements	2,958,137.00	-
Local Transport / Travelling	1,500.00	29,150.00
Electricity And Water	205,323.00	195,114.00
Activity Expenses	63,000.00	419,320.00
<b>Total</b>	<b>4,595,657.00</b>	<b>4,479,158.00</b>

## Notes To The Financial Statements (Continued)

## 7 Boarding And School Fund Payments

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	3,738,304.00	4,720,713
Repairs And Maintenance & Improvements	2,627,699.00	2,404,287.00
Local Transport / Travelling	157,200.00	641,720.00
Electricity And Water	664,395.00	790,627.00
Medical Expenses	9,000.00	1,520.00
Administration Costs	1,754,391.00	2,034,144.67
bursary	2,668,400.00	-
Activities	1,044,409.00	1,044,409.00
Fee On Boarding Equipment and Stores	6,068,109.00	7,067,502.00
Academic improvement	315,674.00	-
Insurance	135,749.00	-
Student identity card	48,000.00	225,104.00
Bus maintenance	134,000.00	175,930.00
<b>Total</b>	<b>19,365,330</b>	<b>19,105,956.67</b>

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

**Notes To The Financial Statements (Continued)**

*KILIFI TOWNSHIP SECONDARY SCHOOL*  
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**Notes To The Financial Statements (Continued)**

**8 Bank Accounts**

Name Of Bank, Account No. & Currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1102228788	233,941.05	447,424.55
Operations Account	1102229113	1,680,762.61	193,143.61
School Fund Account/Boarding	1107271916	1,410,545.45	51,323.45
Savings Account	1101535245	2,136,727.30	962,212.30
Saving pta/esp/bus/caution	1117625141	39,995.69	39,995.69
Infrastructural Account	1257865609	3,387,260.00	594,880.00
<b>Total</b>		<b>8,889,232.1</b>	<b>2,276,585.30</b>

**9 Cash In Hand**

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	4,540.00	12,240.00
School Fund account	9,452.00	370.00
<b>Total</b>	<b>13,992.00</b>	<b>12,610.00</b>

**10 Short Term Investments**

Description	2019-2021	2019-2020
	Kshs	-
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

KILIFI TOWNSHIP SECONDARY SCHOOL  
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Notes To The Financial Statements (Continued)

11 Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears	48,746,378.12	36,905,904.79
Other Non-Fees Receivables		
Salary Advances	-	-
Boarding account	-	-
<b>Total</b>	<b>48,746,378.12</b>	<b>36,905,904.79</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears For Current Year	3,794,788.00	36,905,904.79
Fees Arrears For The Previous Year	5,952,209.00	
Fees Arrears For Prior Periods (Over Two Years)	38,999,381.00	
<b>Total</b>	<b>48,746,378.12</b>	<b>36,905,904.79</b>

12 Accounts Payable

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1) TUITION /BOARDING	-	
Prepaid Fees	1,960,371.00	256,409.00
Tuition account	-	
Boarding account		
Operation account		
<b>Total</b>	<b>1,960,371.00</b>	<b>256,409.00</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade Creditors for Current Year		
Trade Creditors for The Previous Year		
Trade Creditors for Prior Periods (Over Two Years)	-	-
<b>Total</b>		<b>12,122,617.00</b>

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	2020-2021	2019-2020
Bank Balances	2,288,979.60	1,284,627.30
Cash Balances	12,610.00	12,610.00
Short Term Investments	-	-
Receivables	48,746,378.12	36,905,904.79
Payables	1,960,371.72	256,409.00
	50,650,815.22	38,459,551.09

**Other important disclosure notes**

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

**14 Non-current Liabilities Summary**

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-x
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

**15 Biological assets**

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	-	252,000.00	196,000.00
Goats		10	11
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
<b>Total</b>		<b>xxx</b>	<b>xxx</b>

**16 Borrowings**

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

KILIFI TOWNSHIP SECONDARY SCHOOL

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Other important disclosure notes

17 Stock/ Inventory

Description	2020	
	-2021	2019-2020
	Kshs	Kshs
<b>b) Inventory</b>		
Stock/ inventory at beginning of the year	8,36,510.00	-
Stock/ inventory purchased during the year	23,650,800.00	-
Stock/ inventory issued during the year	23,325,506.00	-
<b>Balance at end of the year</b>	<b>1,161,804.00</b>	<b>-</b>

*KILIFI TOWNSHIP SECONDARY SCHOOL*  
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**18 Progress On Follow Up Of Auditor Recommendations**

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	The management should settle all trade creditors to avoid legal action being preferred against the institution	The bom discussed and resolve that it be removed for the record to avoid the all time occurrence		
	Inter account borrowing should be curbed by the school management	Bom agreed not to allow it happen unless there is a crisis to necessitate it.		
	Prepaid fees should be treated as income in the ensuring year and the relevant vote heads charged	It is always ok		

**PRINCIPAL**  
 KILIFI TOWNSHIP SEC. SCHOOL  
 P. O. Box 16 - 80108 KILIFI

Sign at Date:  Sign:   
 Principal

**KILIFI TOWNSHIP SECONDARY SCHOOL**  
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**Annex 1 - Analysis Of Pending Accounts Payable**

	Original Amount K.shs	Date Contracted K.shs	Amount Paid To-Date K.shs	Outstanding Balance 20XX K.shs	Outstanding Balance 20XX-1 K.shs	Comments
<b>Supplier Of Goods Or Services</b>						
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
7. Prepaid fees	1,960,371.00					
8. Operation account						
9. Boarding account						
<b>Sub-Total</b>						
<b>Grand Total</b>						

There were no creditors as at 31/6/2021

**KILIFI TOWNSHIP SECONDARY SCHOOL**  
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**Annex 2 – Summary Of Fixed Assets Register**

<b>Asset Class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
Land 1	N/A	Kilifi township	N/A	N/A	N/A	N/A
Land 2	-	-	-	-	-	-
Buildings And Structures Administration block Form 1 block block (4 classes) Resource block Form 4 block A Form 4 block B 3 classes and 2 offices Form 2 block	-	Kilifi township	N/A	N/A	N/A	N/A
Motor Vehicles	24/3/2015	Kilifi township				
Office Equipment, Furniture And Fittings						
ICT Equipment, And Other ICT Assets						
Tools And Apparatus						
Textbooks	Issued by GOK	-	-	-	-	-
Other Machinery And Equipment: school generator	2015	Kilifi township	450,000.00			

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Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Heritage And Cultural Assets	N/A	N/A	N/A	N/A	N/A	N/A
Intangible Assets- Soft Ware- Student's data base	August 2014	Kilifi township	385,000.00	-	-	-
Accounts software						
<b>Total</b>						

*(The school should ensure that a detailed fixed assets register is maintained).*