

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

CHUMANI SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

KILIFI COUNTY



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 24 FEB 2015 DAY: Thursday

TABLED BY: Hon. Naomi Waga Deputy Majority Whip

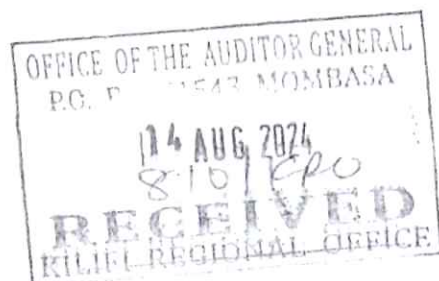
CLERK AT THE TABLE: Inopa Mwale

Revised 30th June 2022



CHUMANI SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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



CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL
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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 Kilifi County, Kilifi North Sub-County

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

The school is a boarding school and had 648 students as at 30th June 2022. It has 4 streams and 31 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	Janet Kaluwa	Chairperson	3/7/2019
2	Emmanuel Katana Joseph	Secretary - Principal	3/7/2019
3	Athman Bacha	Member	3/7/2019
4	Winnie Barawa	Member	3/7/2019
5	Adam Kheri Ndamungu	Member	3/7/2019
6	Sebastian Kashero	Member	3/7/2019
7	Amina Musa	Member	3/7/2019
8	Mwatsuma Kiti	Member – Rep CEB	3/7/2019
9	Joseph Kimani Kahugu	Member Rep Teachers	3/7/2019
10	Margaret Pola Tsuma	Members - Sponsor	3/7/2019
11	Cecelia Mutua Koki	Member – Sponsor	3/7/2019
12	Martin Shida	Member – sponsor	3/7/2019
13	George Shida	Member – community	3/7/2019
14	Elina Mwarome	Member – special needs	3/7/2019
15	Aaron Mutuku	Student rep	3/7/2019

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KEY SCHOOL INFORMATION AND MANAGEMENT

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

1	Executive Committee	Jannet Kaluwa Makumbusho Musa Emmanuel katana	Born chair P.A chair Principal	6/6
		Athman Bacha Margaret Tsuma	BOM member BOM member	
2	Audit committee	Sebastian Kashero Athman Bacha Winnie Barawa Adam Kheri	chair member Member Member	2/3
3	Finance, procurement/general purpose	Sebastia kashero Athman bacha Winnie barawa Adam kheri	Chair Member Member Member	3/3
4	Academic committee	Mwamuye mwatsuma George shoka	chair member	3/3
5	Development committee	Makumbusho musa	Pa chair	2/3
6	Discipline and welfare	Jannet Chea Martin shida Cecelia koki	Chair Member member	6/6
7	Ad hoc committee			

(d) School operation Management

For the financial year ended 30th June 2022 the School day-to-day management was under the following persons:

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Ref:	Designation	Name	TSC Number/ID
1	Principal	Emmanuel J Katana	321923
2	Deputy Principal	John muasya	272389
3	School Bursar	Harriet N. konde	9207008

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KEY SCHOOL INFORMATION AND MANAGEMENT

(e) Schools contacts

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

(f) School Bankers

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

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

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

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

(g) Independent Auditors

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

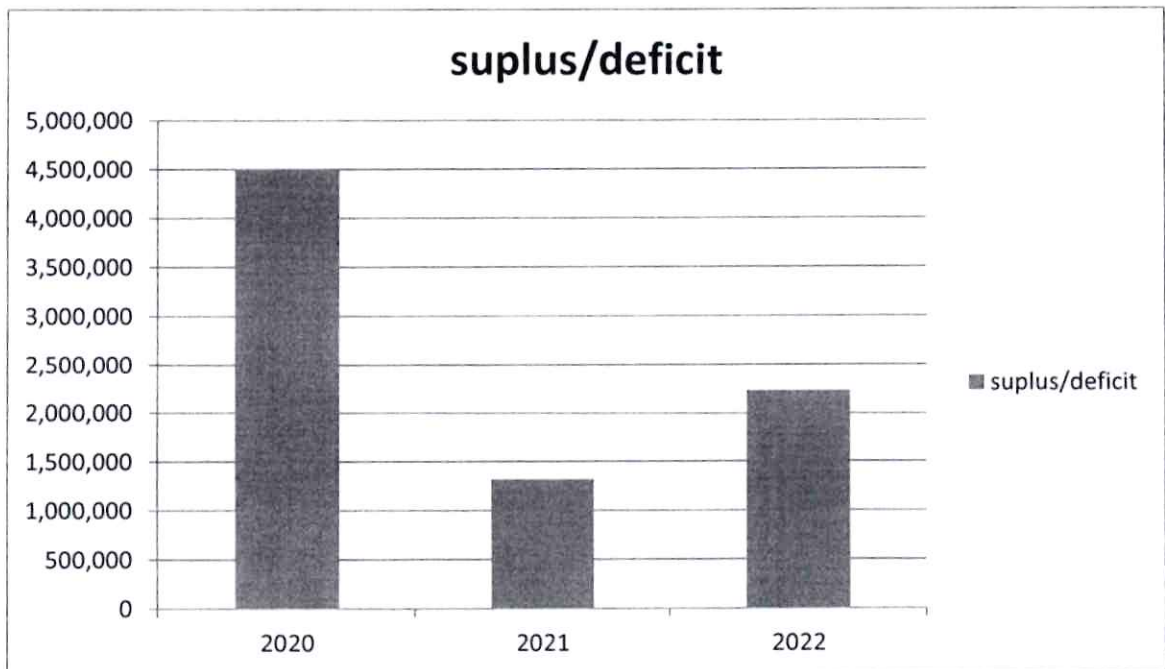
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

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

YEAR	SURPLUS/DEFICIT
2020	4,492,710
2021	1,318,897
2022	2,232,609

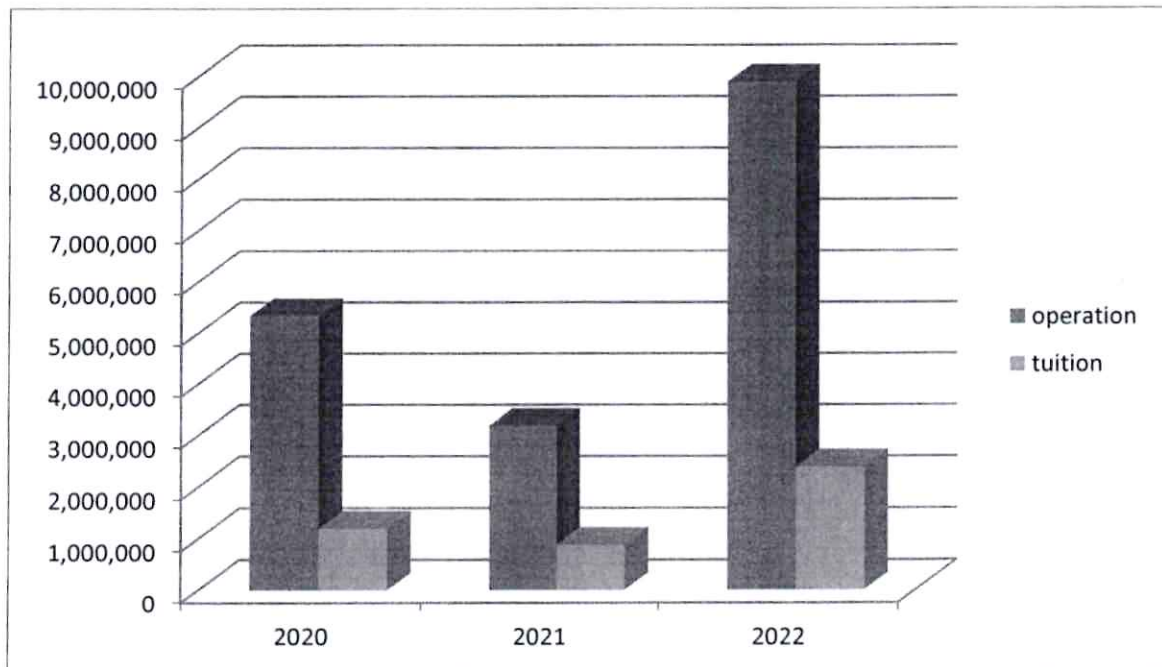


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Capitation grant from the ministry of education for the last three years

YEAR	OPERATION A/C	TUITION A/C
2020	5,328,750.00	1,192,180
2021	3,186,510.00	884,199.25
2022	9,879,649.00	2,387,919.00

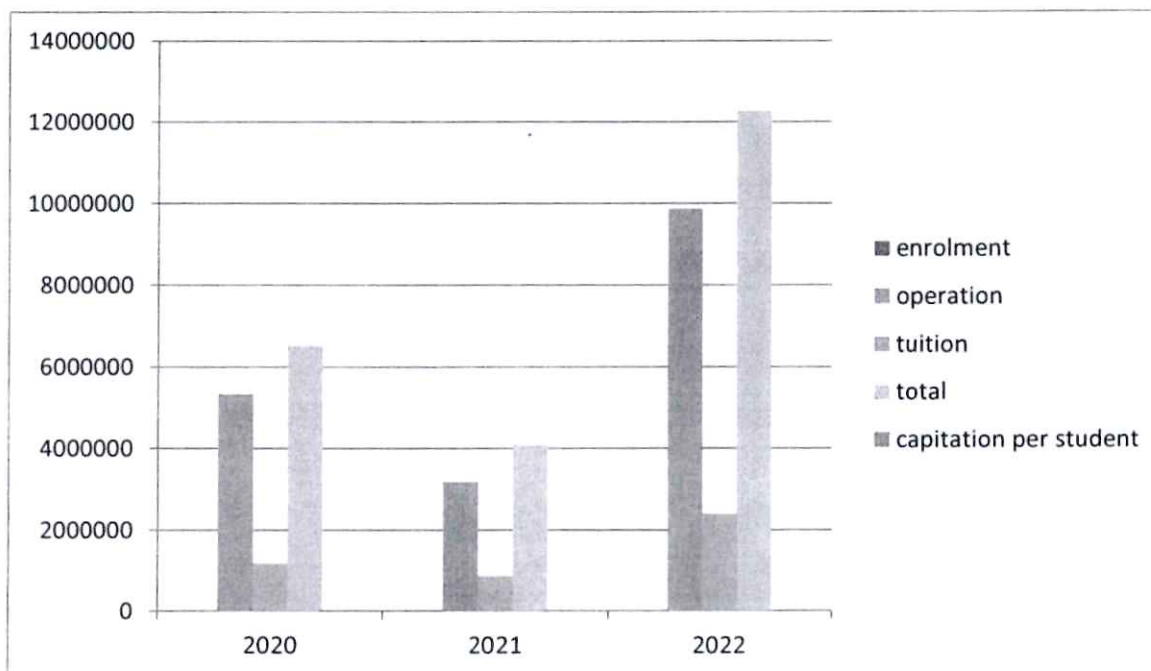
Capitation grant



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Ratio of capitation grant per students over the last three years

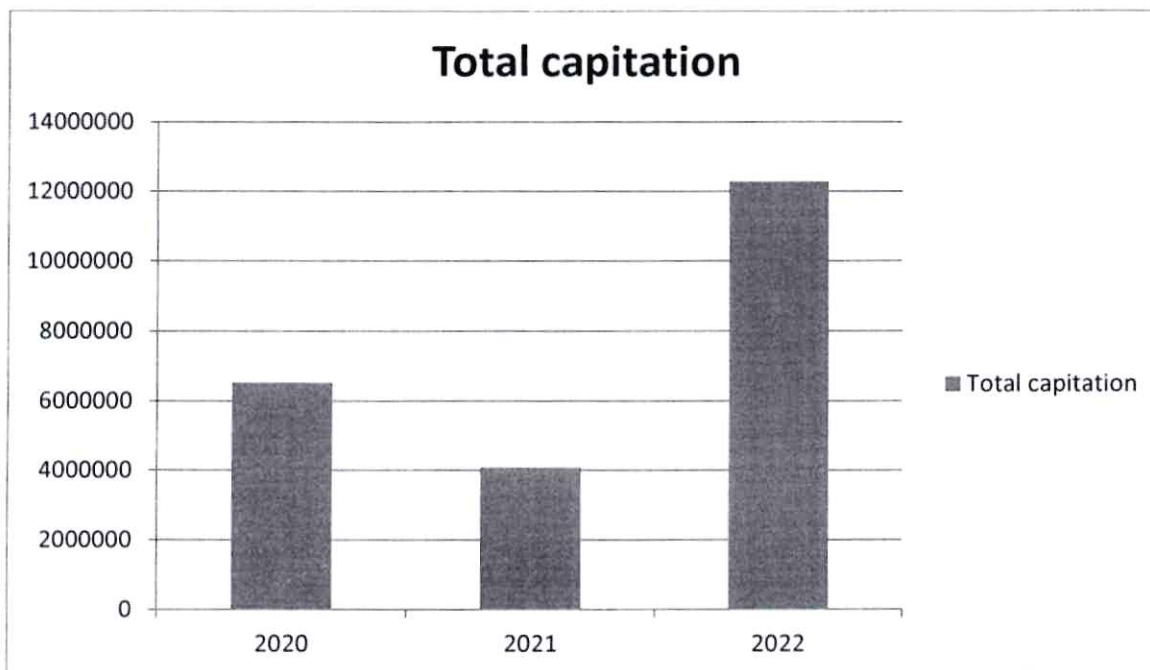
Year	Enrolment	Operation	Tuition	Total	Capitation per learner
2020	680	5,328,750	1,192,180	6,520,930	9,590
2021	680	3,186,510	884,199	4,070,709	5,986
2022	689	9,879,649	2,387,919	12,267,568	17,805



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TOTAL CAPITATION

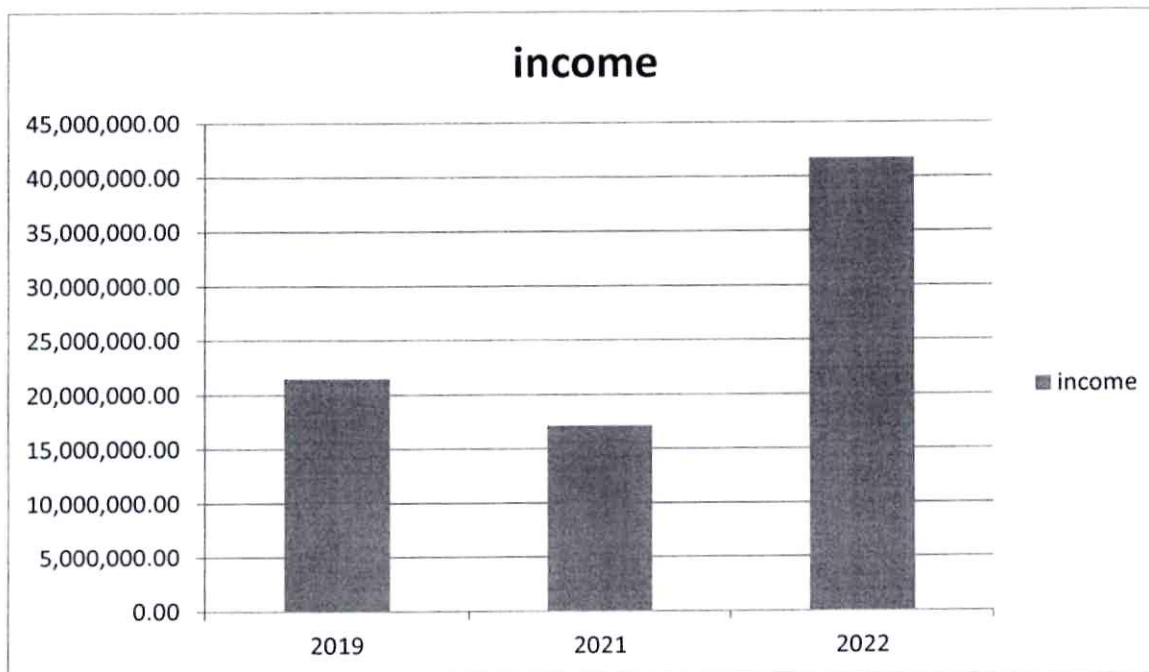
Year	Operation	Tuition	Total
2020	5,328,750	1,192,180	6,520,930
2021	3,186,510	884,199	4,070,709
2022	9,879,649	2,387,919	12,267,568



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

<i>YEAR</i>	<i>INCOME</i>
2020	21,475,715.00
2021	17,083,954.00
2022	41,685,806.00

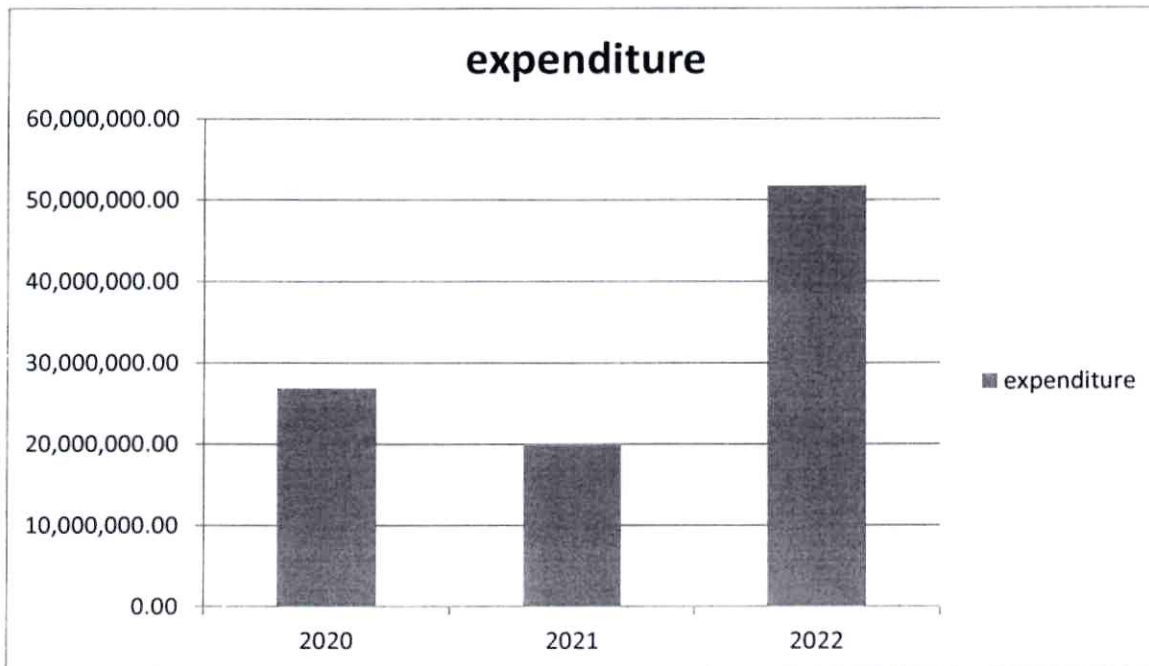


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A three year overview of growth in expenditure

Year	Expenditure
2020	26,863,935.00
2021	19,835,766.10
2022	51,720,766.00

Expenditure growth



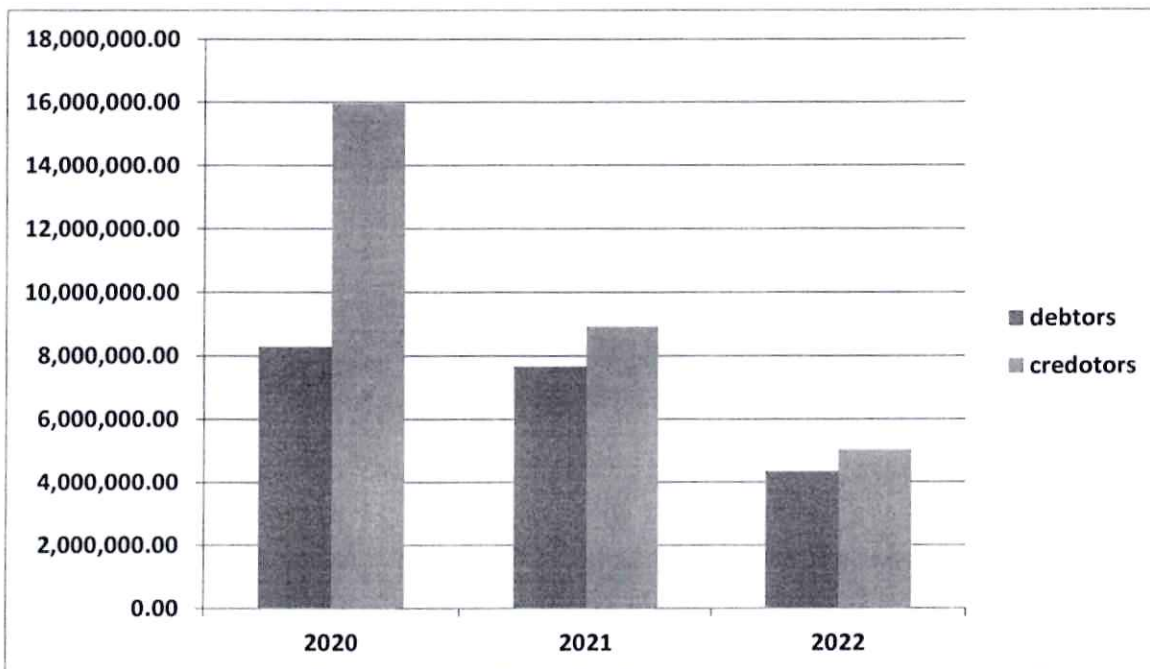
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Movement of debtors and creditors over the last three years

DEBTORS

YEAR	TOTAL DEBTORS	TOTAL CREDITORS
2020	8,274,767.00	15,944,124.00
2021	7,662,158.00	8,914,941.00
2022	4,348,013.00	5,031,488.00

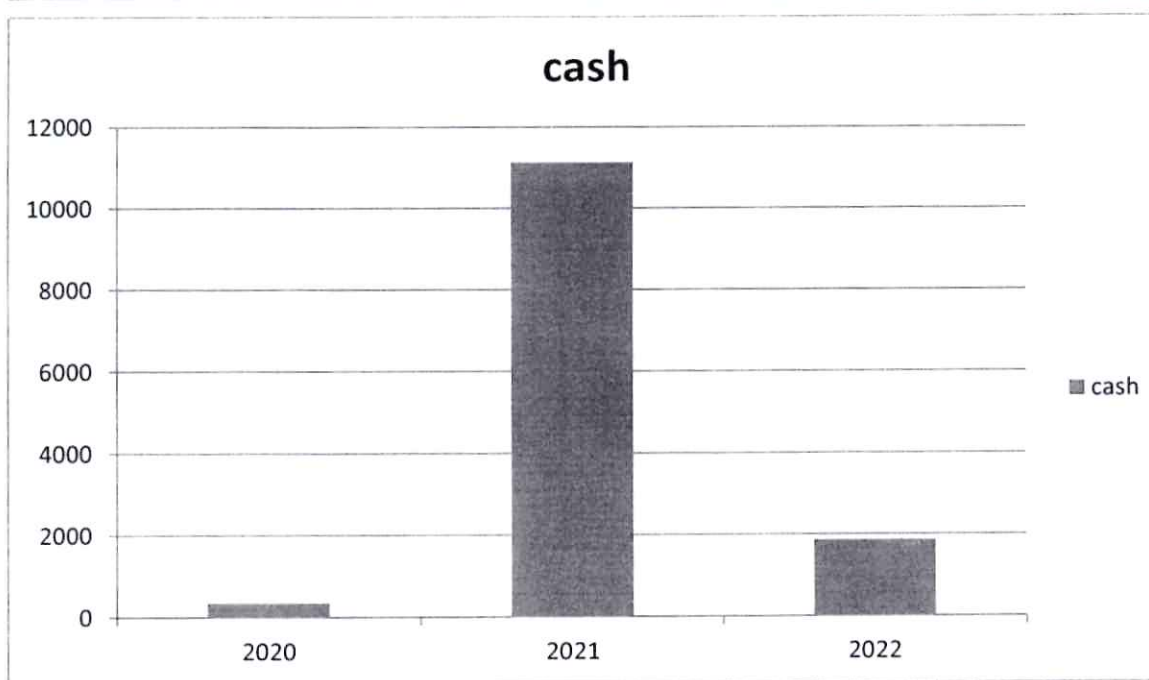
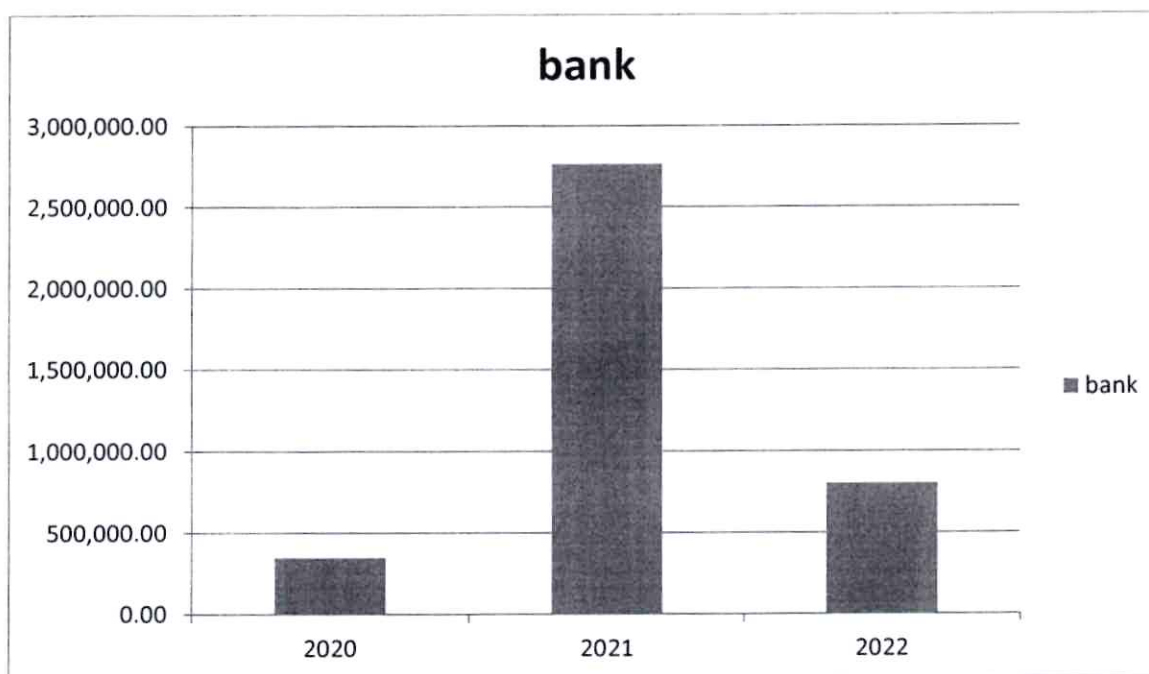
Debtors/creditors



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Movement of cash and bank balances over last three years

YEAR	BANK BALANCES	CASH BALANCES
2020	346,833.44	343.10
2021	2,763,568.59	11,121.10
2022	799,987.74	1,856.10



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a) **Teacher Student ratio:**

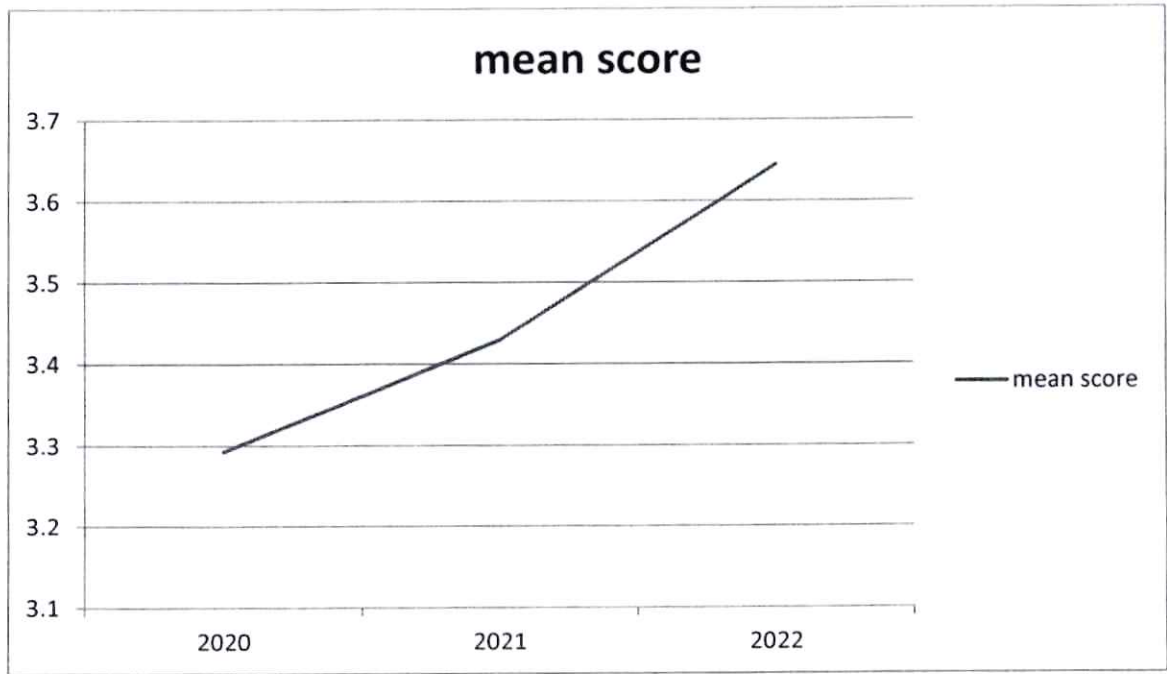
<i>Subject</i>	<i>Tsc</i>	<i>Bom</i>	<i>total</i>	<i>Teacher/student ratio</i>
<i>English</i>	6	0	6	1:106
<i>Kiswahili</i>	3	3	6	1:106
<i>Mathematics</i>	5	4	9	1:71
<i>Chemistry</i>	5	1	6	1:106
<i>Physics</i>	2	1	3	1:150
<i>Biology</i>	5	1	6	1:90
<i>History</i>	1	2	3	1:213
<i>Geography</i>	1	1	2	1:222
<i>CRE</i>	2	3	5	1:102
<i>IRE</i>	2	0	2	1:29
<i>Agriculture</i>	1	1	2	1:175
<i>Computer</i>	1	0	1	1:124
<i>Business</i>	2	3	5	1:84
<i>Music</i>	1	0	1	1:76
<i>Arabic</i>	0	1	1	1:45

teachers recruited/posted/tranfered/retired/employed by tsc and bom for the last 3 years

<i>YEAR</i>	<i>RECRUITED/ POSTED</i>	<i>TRANSFERED</i>	<i>RETIRED</i>	<i>EMPLOYED BY TSC</i>	<i>EMPLOYED BY BOM</i>
2020	0	2	0	0	2
2021	2	0	0	2	3
2022	2	0	1	2	6

KCSE PERFORMANCE OF THE SCHOOL OVER THREE YEARS

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



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b) Mean score/number of students in the year 2018-2022 KCSE:

<i>Year</i>	<i>Entry</i>	<i>A</i>	<i>A-</i>	<i>B+</i>	<i>B</i>	<i>B-</i>	<i>C+</i>	<i>C</i>	<i>C-</i>	<i>D+</i>	<i>D</i>	<i>D-</i>	<i>E</i>	<i>Y</i>	<i>X</i>	<i>P</i>	<i>Mean</i>
2018	148	0	0	0	1	1	4	5	10	25	54	46	1	0	0	0	3.2653
2019	101	0	0	0	1	2	6	1	10	13	38	30	0	0	0	0	3.4554
2020	99	0	0	0	0	0	0	6	13	17	31	31	0	0	0	1	3.2929
2021	145	0	0	0	0	1	2	10	19	26	40	42	0	0	1	0	3.429
2022	126	0	0	0	0	0	0	7	19	36	43	15	1	0	2	0	3.644

c) Capacity of the school:

<i>No. of students</i>	<i>No. of teachers</i>	<i>No. of offices</i>	<i>No. of toilets</i>	<i>No. of dorms</i>	<i>No. of D/Halls</i>	<i>No. of classrooms</i>	<i>No. of labs</i>
638	33	1	23	5	1	21	2

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d) Development projects carried out by the school:

Project completed	Source of income	On-going/Status
5 number classrooms	MOE	complete

Sign

School Principal

hr
THE PRINCIPAL
CHUMANI SECONDARY SCHOOL
P. O. Box 192 - 80108, KILIFI
Date: Sign:


III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

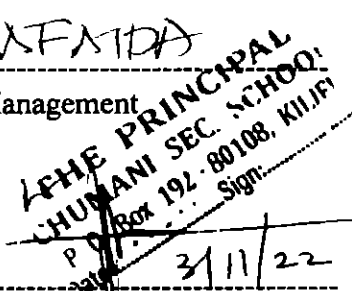
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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 *Chumani secondary school* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

Name: JOSEPH MWATENDA
Designation: Chairman, School Board of Management
Sign: 
Date: _____


APHE PRINCIPAL
CHUMANI SEC. SCHOOL
P.O. Box 192 - 80108, KILIFI
Sign: _____
3/11/22

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

Name: HARRIET KONGE
Designation: Bursar/ Finance Officer
Sign: 
Date: 3/11/22

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 CHUMANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KILIFI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 Chumani Secondary School - Kilifi County set out on pages 1 to 17, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Chumani Secondary School – Kilifi County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.58,735,974 out of which Kshs.58,278,004 were in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs.49,992,105 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.58,735,974 could not be confirmed.

2. Understatement of Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects bank balances amounting to Kshs.799,988 as disclosed in Note 8 to the financial statements. However, recasting the account balances disclosed under the Note 8 yielded bank balances amounting to Kshs.854,627 resulting in a variance of Kshs.54,639.

In the circumstances, the accuracy of bank balances amounting to Kshs.799,988 could not be confirmed. Further, the bank balances were understated by Kshs.54,639.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.42,360,373 and Kshs.53,953,375 respectively, resulting to an over-funding of Kshs.11,593,002 or 27.37% of the budget. However, the School spent a balance of Kshs.51,720,766 against actual receipts of

Kshs.53,953,375 resulting to an under-utilization of Kshs.2,360,373 or 4.38% of actual receipts.

The over-funding occurred mainly under fees charged on parents which may be an indication of either poor budgeting model or overcharging to parents.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June,2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects operations payments amount of Kshs.14,761,908 as disclosed in Note 6 and Boarding and School fund payments amount of Kshs.34,229,616 as disclosed in Note 7 to the financial statements. Included in the expenditure is a total amount of Kshs.779,600 transferred to Kenya Secondary School Heads Association (KESSHA) during the year under audit. However, KESSHA is a welfare organization that draws its membership from School principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.779,600 could not be confirmed.

2. Long Outstanding Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.15,238,636 as disclosed in Note 12 to the financial statements. However, included in the balance are trade payables balance of Kshs.4,221,147 which had been outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates.

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

3. Late Submission of the Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 16 May, 2024, instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education circular Ref: MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2022 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

4. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four (4) key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

5. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.9,879,649 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.1,107,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.1,000,000 was transferred to infrastructure account, leaving a balance of Kshs.107,000 as at 30 June, 2022. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/10/18(112) which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

The audit revealed that the School used cash totalling Kshs.1,453,600 to purchase goods and services instead of procuring using other suitable methods. This was contrary to the Second Schedule of Public Procurement and Asset Disposal Regulations, 2020 which caps low value procurement in cash of goods, works and services at Kshs.100,000 per item per annum.

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

7. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.53,953,375 and Kshs.51,720,766 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

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

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

- The statement of financial assets and financial liabilities reflects reference Note for accounts receivables, accounts payables and accumulated brought forward as 11, 12, 13 respectively while the actual notes are 10, 11 and 12. Further, there was no Note 10 as referenced in the statement.
- The figures were not presented to the nearest whole number.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which 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 did not benefit from the oversight role and advice from the audit committee and the internal audit function.

2. Lack of Ownership Document

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.1,839,000 in respect of fixed assets which includes land with unknown value. However, the School did not provide title deed for audit verification.

In the circumstance, the accuracy, completeness and ownership of the fixed asset could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 September, 2024

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL

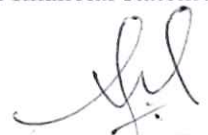
Annual Report and Financial Statements

For the year ended 30th June 2022


V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	2,387,919.00	884,199.25
Capitation grants for operations	2	9,879,649.20	3,186,510.00
School Fund Income- Parents' Contributions	3	14,498,678.95	6,496,738.00
School Fund Income- Other receipts	4	27,187,128.00	10,587,216.00
Proceeds from borrowings		-	-
TOTAL RECEIPTS		53,953,375.15	21,154,663.25
PAYMENTS			
Payments for Tuition	5	2,729,242.00	1,298,250.00
Payments for operations	6	14,761,908.00	2,798,047.00
Boarding and school fund payments	7	34,229,616.00	15,739,469.10
TOTAL PAYMENTS		51,720,766.00	19,835,766.10
SURPLUS/DEFICIT		2,232,609.15	1,318,897.15

The school financial statements were approved on 3/11 2022 and signed by:


 Name JOSEPH MWANGI
 Chairperson BOM

Name
 School Principal/
 Secretary to BOM


 Name HARRIET KONDE
 Bursar/Finance Officer

Date -----

Date

Date 3/11/22

THE PRINCIPAL
 CHUMANI SEC. SCHOOL
 P. O. Box: 192 - 80108, KILIFI
 Date: Sign:

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL
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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	799,987.74	2,763,568.59
Cash Balances	9	1,856.10	11,121.10
Short term Investment	10	-	-
Total Cash and cash equivalent		801,843.84	2,774,689.69
Account's receivables	11	58,735,974.05	56,755,796.05
TOTAL FINANCIAL ASSETS		59,537,817.89	59,530,485.74
FINANCIAL LIABILITIES			
Accounts Payables	12	15,238,636.00	17,463,913.00
NET FINANCIAL ASSETS		44,299,181.89	42,066,572.74
REPRESENTED BY			
Accumulated Fund b/fwd	13	42,066,572.74	40,747,675.59
Surplus/Deficit for the year		2,232,609.15	1,318,897.15
NET FINANCIAL POSITION		44,299,181.89	42,066,572.74

The School's financial statements were approved on 3/11/22 2022 and signed by:

Name JOSEPH MWAFATA
 Chair BOM

Date

Name [Signature]
 principal/secretary
 BOM
 Date

THE PRINCIPAL
 CHUMANI SEC. SCHOOL
 P.O. Box 192-80100, KILIFE
 Date: Sign:

Name HARRIET KANDE
 Bursar /Finance Officer

Date 3/11/22

CHUMANI SECONDARY SCHOOLS –PUBLIC SECONDARY SCHOOL
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021-2022	2020-2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	2,387,919.00	884,199.25
Capitation grants for operations	2	9,879,649.20	3,186,510.00
School fund income- Parents contributions/ fees	3	14,498,678.95	6,496,738.00
School fund income- other receipts	4	27,187,128.00	10,587,216.00
TOTAL RECEIPTS		53,953,375.15	21,154,663.25
Payments			
Payments for Tuition	5	2,729,242.00	1,298,250.00
Payments for operations	6	14,761,908.00	2,798,047.00
Boarding and school fund payments	7	34,229,616.00	15,739,469.10
TOTAL PAYMENTS		51,720,766.00	19,835,766.10
Net cash flow from operating activities		2,232,609.15	1,318,897.15
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets		(3,302,215.00)	-
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		(1,069,605.85)	1,318,897.15
Cash and cash equivalent at BEGINNING of the year		2,774,689.69	347,176.54
Cash and cash equivalent at END of the year		801,843.84	2,774,689.69

CHUMANI SECONDARY SCHOOLS –PUBLIC SECONDARY SCHOOL
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

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>						
Exercise books	584,500	-	584,500	583,633	867	99.8%
Laboratory equipment	418,600	-	418,600	418,512	88	99.9%
Internal exams	271,791	-	271,791	271,791	-	100%
Teaching / learning materials	564,200	-	564,200	561,357	2843	99.5%
Chalks	69,052	-	69,052	69,052	-	100%
Exams and assessment	247,600	-	247,600	238,444	9156	96%
Teachers guides	245,130	-	245,130	245,130	-	100%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	3,500,000	-	3,500,000	2,780,974	719,026	79%
Repairs and maintenance	3,500,000	-	3,500,000	3,747,000	-247,000	107%
Local transport / travelling	840,000	-	840,000	725,385	114,615	86%
Electricity and water	1,400,000	-	1,400,000	1,206,081	193,918	86%
Medical	455,000	-	455,000	134,800	320,200	29.6%
Administration costs	840,000	-	840,000	737,528	102,472	87.8%
Activity	1,050,000	-	1,050,000	547,881.20	502,118.8	52%

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL

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For the year ended 30th June 2022

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
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	3,850,000	-	3,850,000	4,223,862	-373,862	109.7%
Repairs and maintenance	1,400,000	-	1,400,000	1,444,440	-44,440	103%
Local transport / travelling	735,000	-	735,000	749,030	-14,030	101.9%
Electricity and water	3,150,000	-	3,150,000	2,605,916	544,084	82.7%
Medical	-	-	-	11,000	-	-
Administration costs	1,295,000	-	1,295,000	1,723,351.75	-428,351.75	133%
Activity	175,000	-	175,000	317,348	-142,348	181%
SMASSE	-	-	-	-	-	-
Boarding Equip and Stores	17,769,500	-	17,769,500	19,585,022	-1,815,522	110%
OTHER INCOME						
Rent income PA	-	-	-	130,295	-	-
Infrastructure a/c	-	-	-	2,715,000	-	-
Bursary	-	-	-	3,738,991	-	-
Operation a/c	-	-	-	950,000	-	-
bom teachers	-	-	-	3,423,730	-	-
damages-dorm	-	-	-	67,820	-	-
TOTAL INCOME	42,360,373.00		42,360,373.00	53,953,375.15		
(1) EXPENDITURE FOR TUITION						
Exercise books	584,500		584,500	214,000	370,500	36.6%
Laboratory equipment	418,600		418,600	907,205	-488,605	216.7%
Internal exams	271,791	-	271,791	290,000	-18,209	106.7%
Teaching / learning materials	564,200	-	564,200	738,989	-174,789	130.9%
Chalks	69,052	-	69,052	69,052	-	100%

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL

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For the year ended 30th June 2022

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
Exams and assessment	247,600	-	247,600	257,350	-9750	103.9%
Teachers guides	245,130	-	245,130	245,600	-470	100%
Bank Charges	-	-	-	7,046	-	
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	3,500,000	-	3,500,000	2,486,542	2,136,542	71%
Repairs, m.improvements	3,500,000	-	3,500,000	5,549,882	-2,049,882	158.5%
Local transport / travelling	840,000	-	840,000	671,923	168,077	80%
Electricity,w. conservancy	1,400,000	-	1,400,000	1,212,094	187,906	86.5%
Medical	455,000	-	455,000	-	-	
Administration costs	840,000	-	840,000	586,267	253,733	69.8%
Activity Expenses	1,050,000	-	1,050,000	370,200	679,800	35%%
Infrastructure account	-	-	-	2,765,000	-	
School fund account				1,120,000	-	
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	3,850,000	-	3,850,000	5,553,195	1,703,195	144%
Repairs, main/improvements	1,400,000	-	1,400,000	896,975	503,025	64%
Local transport / travelling	735,000	-	735,000	685,540	49,460	93%
Electricity, water conserva	3,150,000	-	3,150,000	3,132,978	17,022	99%
Medical Expenses	-	-	-	93,100	-	-
Administration costs	1,295,000	-	1,295,000	1,010,489	284,511	78%
Activity	175,000	-	175,000	246,120	71,120	140.6%
Parents association	-	-	-	650,023	-	
Boarding Equipment Stores	17,769,500	-	17,769,500	14,646,397	3,123,103	82%
Bursary	-	-	-	3,738,991	-	

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022**

Insurance costs/bus	-	-	-	494,125	-	
Computer accessories	-	-	-	514,755	-	
Bom teachers salary	-	-	-	2,567,205		
Acquisition of Assets	-	-	-	3,302,215.00		
TOTALS	42,360,373.00	-	42,360,373.00	51,720,766.00		

Underutilisation was as a result of funds not collected 100% per budget, while overutilization was as a result of arrears for previous years.

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

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 2022.

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	583,633	204,800
Laboratory equipment	418,512	284,400
Internal exams	271,791	60,000
Teaching / learning materials	561,357	162,760
Chalks	69,052	40,000
Exams and assessment	238,444	72,239.25
Teachers guides	245,130	60,000
Total	2,387,919.00	884,199.25

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,780,974	1,596,309
Repairs and maintenance	3,747,000	20,000
Local transport / travelling	725,385	458,987
Electricity and water	1,206,081	618,955
Medical	134,800	130,776
Administration costs	737,528	361,483
Activity	547,881.20	-
Total	9,879,649.20	3,186,510

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	4,223,862	1,286,073
Repairs and maintenance	1,444,440	511,767
Local transport / travelling	749,030	154,060
Electricity and water	2,605,916.20	1,138,820
Bom teachers salary	3,423,730	1,567,293
Administration costs	1,723,351.75	515,220
Activity	317,348	54,575
Computer software/hardware	-	1,268,930
Insurance and medical	11,000	
Total	14,498,678.95	6,496,738

CHUMANI SECONDARY SCHOOL – PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	19,585,022	4,810,855
P/A	130,295	750,715
Operation account	950,000	100,000
Income from Bus Hire	-	98,000
Damages	67,820	
Income from grants and donations* bursary	3,738,991	2,469,146
Infrastructure account	2,715,000	2,358,500
Total	27,187,128	10,587,216

5 PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Exercise books	214,000	98,000
Laboratory equipment	907,205	247,520
Internal exams	-	75,897
Teaching / learning materials	958,776	520,200
Chalks	-	45,000
Exams and assessment	157,350	58,000
Teachers guides	484,875	50,000
Administration Costs	-	201,200
Bank Charges	7,036	2,433
Total	2,729,242	1,298,250

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6 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	
Personnel emoluments	2,486,542	1,089,408
Administration Cost	586,267	439,481
Repairs and maintenance & improvements	5,549,882	264,510
Local transport / travelling	671,923	293,345
Electricity and water	1,212,094	316,403
Medical	-	69,500
Activity Expenses	370,200	225,400
School fund account	1,120,000	100,000
BOM teachers salary	-	--
Infrastructure account	2,765,000	-
TOTAL	14,761,908	2,798,047

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Ksh.
Personnel emoluments	5,553,195	2,063,687
Repairs and maintenance & Improvements	896,975	416,385
Local transport / travelling	685,540	516,900
Electricity and water	3,132,978	1,199,480,
Medical Expenses	93,100	68,353
Administration costs	1,010,489	412,500.10
Computer software/hardware	514,755	-
P/A	650,023	1,278,080
Fee on Boarding Equipment and Stores	14,646,397	5,590,508
Activity	246,120	155,300
Bom teachers salary	2,567,205	1,104,780
Bus hire /insurance	494,125	238,787
Bursary	3,738,991	2,469,146
infrastructure account		225,563
TOTAL	34,229,616	15,739,469.10

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8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
			Kshs
Tuition Account	1102197971	13,905.50	3,425.50
Operations Account	1102198536	27,150.20	12,572.90
School Fund Account/Boarding	1102193143	79,088.04	485,026.09
Savings Account-Operation	1169897541	19,779.20	19,779.20
Parent Association Development Account	110037365	2,186.10	2,186.10
Infrastructural Account	1259632571	679,844.00	2,207,905.00
Exam savings	110040517	27,682.90	27,682.90
c/money savings	110040546	4,990.90	4,990.90
Total		799,987.74	2,763,568.59

9 CASH IN HAND

Description	2021-2022	2020-2021
	Ksh.	Kshs
Tuition Account	-	-
Operation Account	832.00	62.00
School Fund account	1,024.10	11,059.10
Total	1,856.10	11,121.10

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10 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Ksh.	Kshs
Fees arrears	58,278,004.05	56,305,361.05
Other non-fees receivables	-	-
Salary advances	438,970.00	432,435.00
Imprest	19,000.00	18,000.00
Total	58,735,974.05	56,755,796.05

Description	2021-2022	2020-2021
	Ksh.	Kshs
Fees arrears for current year	4,348,013.00	3,937,886.00
Fees arrears for the previous year	3,937,886.00	2,583,250.00
Fees arrears for prior periods (over two years)	49,992,105.05	49,784,225.05
Total	58,278,004.05	56,305,361.05

11 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Ksh.	Kshs
Trade creditors (See ageing below and appendix 1)	14,132,700.00	16,658,472.00
Prepaid fees	1,105,936.00	805,441.00
Retention monies	-	-
Total	15,238,636.00	17,463,913.00

Description	2021-2022	2020-2021
	Ksh.	Kshs
Trade creditors for current year	5,031,488.00	4,880,065.00
Trade creditors for the previous year	4,880,065.00	3,073,720.00
Trade creditors for prior periods (over two years)	4,221,147.00	8,704,687.00
Total	14,132,700.00	16,658,472.00

NOTES TO THE FINANCIAL STATEMENTS

12 FUND BALANCE BROUGHT FORWARD

Bank balances	2,763,568.59	346,833.44
Cash balances	11,121.10	343.10
Short Term Investments	-	-
Receivables	56,755,796.05	58,175,618.05
Payables	-17,463,913.00	-17,775,119.00
Total	42,066,572.74	40,747,675.59

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XI 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.

13 Biological assets

Cattle	1	70,000	70,000
Total	1	70,000	70,000

Other important disclosure notes

14 Stock/ Inventory

a) Borrowings		
Stock/ inventory at beginning of the year	10,600	1,700
Stock/ inventory purchased during the year	1,521,400	453,600
Stock/ inventory issued during the year	1,524,000	(450,000)
Balance at end of the year	8,000	6,360

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XII 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.

[Redacted]				

CHUMANI SECONDARY SCHOOLS –PUBLIC SECONDARY SCHOOL

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XIII ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
	a	b	c	d = a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Sub-Total		-	-	-	-	
Supply of goods						
1. Operation account						
RENTOKIL INITIAL	111,070	11/8/2021	88,528	22,542		
DOTMAS HOLDINGS	279,560	8/4/22	100,000	179,560		
MYKSONS INVESTMENTS	68,200	7/7/2022	-	68,200	163,850	
2. Tuition account -						
KILIFI NEW FACE	525,200	8/7/2022	-	525,200		
PEKELE BOOKS	93,402	8,7/2022	-	93,402		
ROMZE ENTERPRISES	539,455	2/2/2022	-	539,455	1,071,417	
LAB 90 MOMBASA	484,875	2/2/2022	-	484,875		
FASTOWN	86,580	2,2/2022	-	86,580		
COPY CAT	55,000	5/5/2022	-	55,000		
3. Boarding account -						
MSENANGU BUTCHERY	1,367,344	2/7/2021	-	1,367,344		
ABAS GROCERS	486,290	2/7/2022	-	486,290		
OFAM FABRICATORS	397,000	5/5/2022	200,000	197,000	3,147,855	
AL-MUBARAK SHOP	178,240	4/4/2022	-	178,240		
KILIFI NEW FACE	423,800	4/4/2022	-	423,800		
Sub-Total	5,096,016		388,528	4,707,488	4,383,122	
Supply of services						
4. Operation account -						
CATCH SECURITY	162,000	30/11/2021	-	162,000	253,943	
5. Boarding account -						
CATCH SECURITY	162,000	30/12/2021		162,000	243,000	
Grand Total	5,420,016		388,528	5,031,488	4,880,065	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land 1	1977	ROKA	DONATED	-	-	-
Land 2	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Motor vehicles	2008	-	1,700,000	-	200,000	1,500,000
Office equipment, furniture and fittings	2020	-	339,000	-	-	339,000
ICT Equipment, and other ICT assets			-	-	-	-
Tools and apparatus			-	-	-	-
Other machinery and office equipment			-	-	-	-
Textbooks	-	-	-	-	-	-
Intangible assets- soft ware	-	-	-	-	-	-
Total			2,039,000	-	200,000	1,839,000