

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

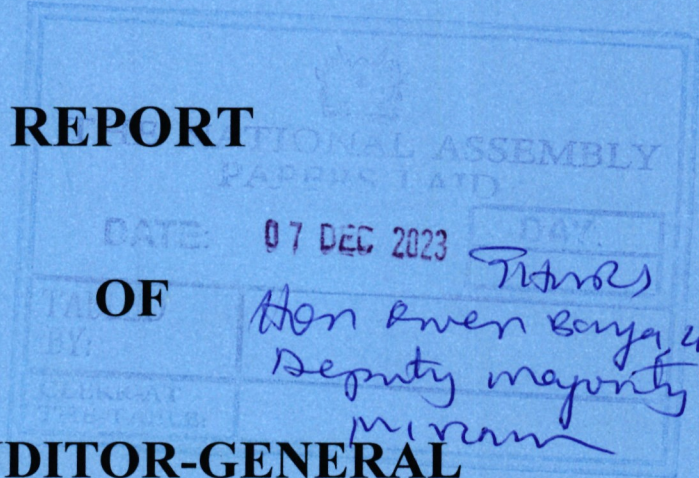
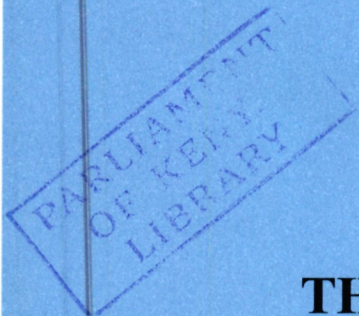
THE AUDITOR-GENERAL

ON

**MOMBASA SECONDARY SCHOOL
FOR THE PHYSICALLY HANDICAPPED**

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

MOMBASA COUNTY



One Hundred and Sixty Five Thousand Five Hundred Only.

Revised 30th June 2021.

MOMBASA SECONDARY SCHOOL



For the physically
Handicapped

email: mospn@mspn.sc.ke
website: www.mospn.sc.ke

P.O. Box 86231, Mombasa, Kenya

Mob: 078 4302196

MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY
HANDICAPPED
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

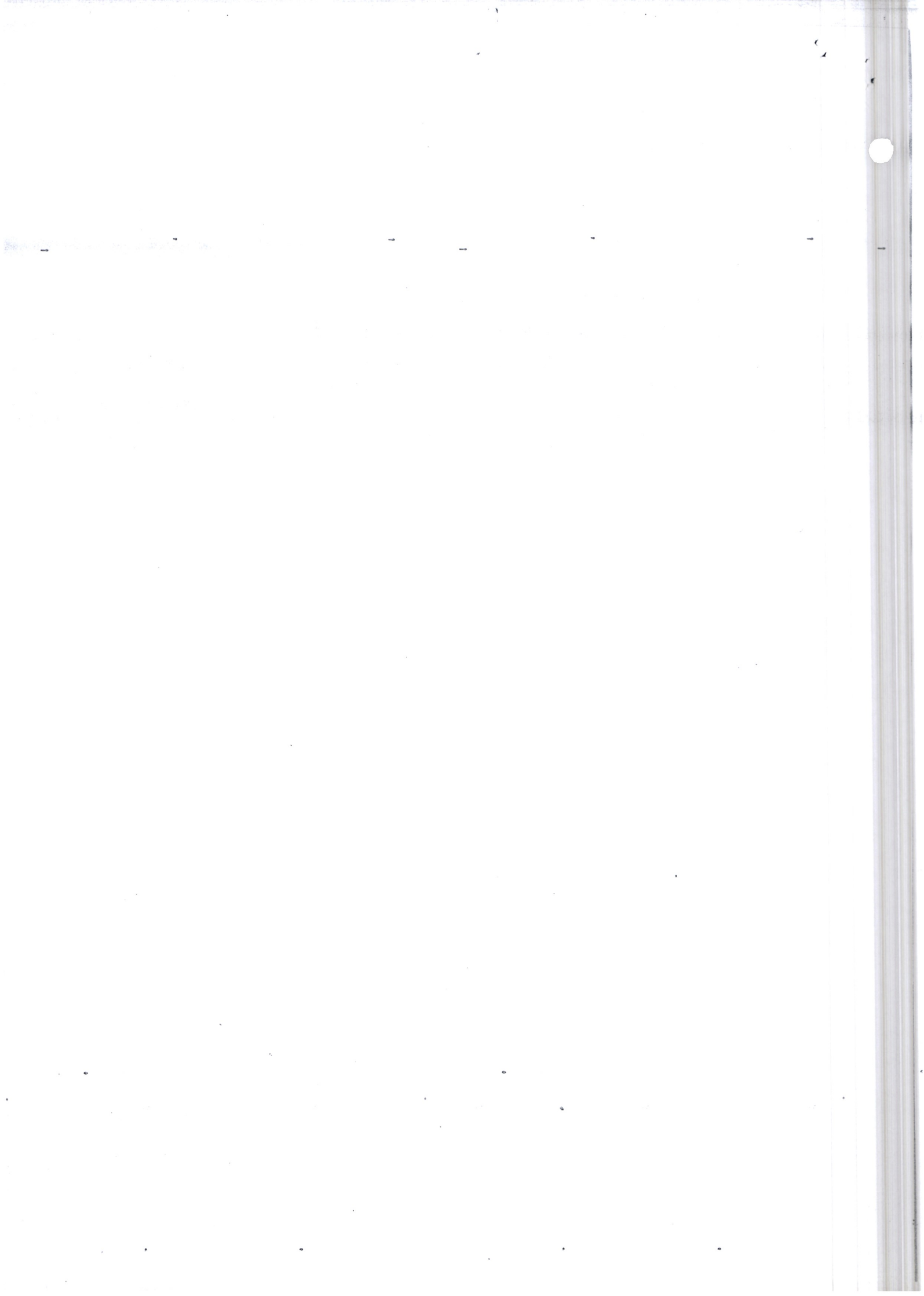
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2021

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



**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

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MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOLS
Reports and Financial Statement
For the year ended 30th June 2021

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 Mombasa County, Nyali Sub-County

The school was registered in 08/1988 under registration number G/1/578/88 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a day/boarding school and had 341 students as at 30th June 2021. It has two streams and 25 teachers of which 5 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	ALAN KINYA	Chairman	18/07/2019
2	ADAM KIBHUNGU	Secretary	18/07/2019
3	CAROLINE KADU	Member	18/07/2019
4	EVERLINE OBARA	Member	18/07/2019
5	IDAH THEURI	Member	18/07/2019
6	CHRISTINE KENDI	Member	18/07/2019
7	NANA RIKO	Member	18/07/2019
8	AHAYA JUMA AHAYA	Member - Rep CEB	18/07/2019
9	HASSAN LUVANGA	Member Rep Teachers	18/07/2019
10	MARK MUNGE	Members - Sponsor	18/07/2019
11	STEPHEN OGWAPIT	Members - Sponsor	18/07/2019
12	DR. HUSSEIN VAVANI	Members - Sponsor	18/07/2019
13	DAMARIS TAURA	Member - Community	18/07/2019
14	BILLY BOSTON	Member Special Needs	18/07/2019
15	JACOB SAKIMBA KETET	Rep Students	18/07/2019
16	RICHARD MAKORI	MEMBER	18/07/2019
17	LYDIA GITONGA	MEMBER	18/07/2019



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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of Meetings attended during the year
	Executive Committee	Mark Munge Mr. Ahaya Juma Ahaya Mr. Manoah Moses Mr. Richard Atetwe	B.O M chair Vice Chair Secretary P.A Chair	NO MEETING
2	Audit Committee	1. Mr. Mark Munge 2. Mr. Stven Ogwapit 3. Dr. Hussein Varvani 4. Mr. Manoah M 5. Ms. Damaris Taura 6. Ms. Nana Riko 7. Mr. Richard Makori 8. Mr. Evans Sande	- Bom chair - Member - Member - Secretary - Member - Member - Member - Member	NO MEETING
3	Finance, procurement and general purposes Committee	1. Mr. Mark Munge	- BOM Chair	3 SITTINGS



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		<ul style="list-style-type: none"> 2. Ms. Damaris Taura 3. Mr. Manoah Moses 4. Mr. Richard Makori 5. Dr. Hussein Varvani 6. Ms. Idah Theuri 7. Ms. Caroline Kadu 	<ul style="list-style-type: none"> - Comitee Chair - Secretary - Member - Member - Member - Member 	
		<ul style="list-style-type: none"> 1. Mr. Mark Munge 2. Mr. Billy Boston 3. Mr. Manoah Moses 4. Mr. Hassan Luvanga 5. Evans Sande 	<ul style="list-style-type: none"> - BOM Chair - Committee chair - Secretary - Member - Member - Member 	3 Sittings
4	Academic Committee			
		<ul style="list-style-type: none"> 1. Mr. Mark Munge 2. Mr. Stephen Ogwapit 3. Mr. Manoah Moses 4. Mr. Richard Atetwe 5. Ms. Caroline Kadu 6. Ms. Christine Kendi 7. Ms. Damaris Taura 	<ul style="list-style-type: none"> - B.O M Chair - Member - Secretary - Committee Chair - member - Member - Member 	3 SITTINGS
5	Development Committee/ SIC Committee			
		<ul style="list-style-type: none"> 1. Mr. Mark Munge 2. Mr. Billy Boston 3. Mr. Manoah Moses 	<ul style="list-style-type: none"> - BOM Chair.. - Committee Chair - Secretary 	
6	Discipline and welfare Committee			



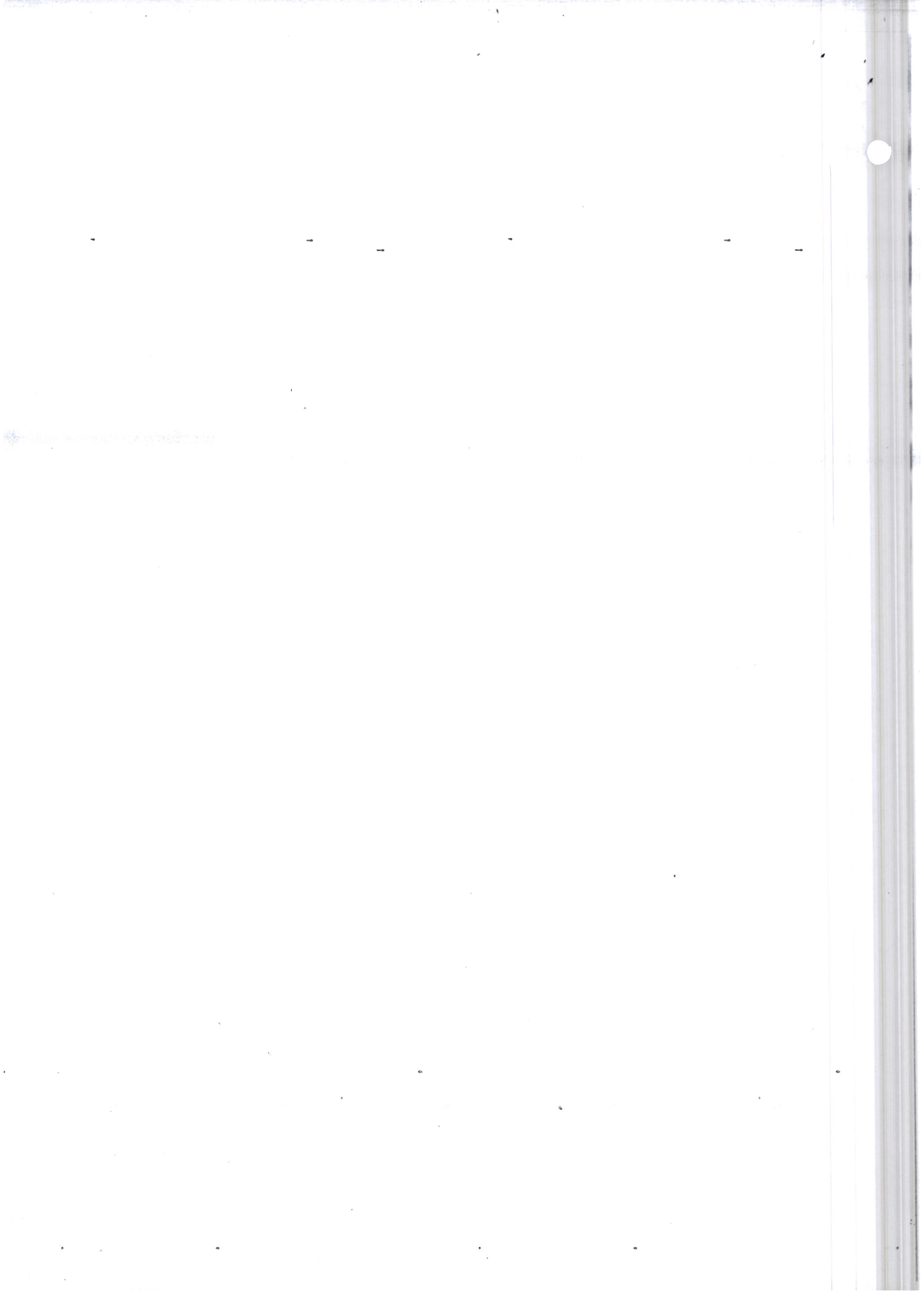
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		4. Mr. Richard Atetwe	- Member	3 SITTINGS
		5. Mr. Richard Makori	- Member	
		6. Ms. Everlene Obala Ms.	- Member	
		7. 7. Lydia Gitonga	- BOM chair	
			- Committee chair	
			- Secretary	
			- member	
				NO MEETING
7	Adhoc Committee	NONE	NONE	NONE

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following management:

Ref:	Designation	Name	TSC Number
1	Principal	MANOAH MOSES OMONYO	359628
2	Deputy Principal	STEPHEN NGEI MWEU	357380
3	School Bursar	DOROTHY ATIENO ODUOR	ID- 27850596



**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements
For the year ended 30th June 2021**

KEY SCHOOL INFORMATION AND MANAGEMENT

(e) Schools contacts

Post Office Box: 86231- 80100
Telephone: 0784302196
E-mail: mssph014@gmail.com
Website: www.mssph.sc.ke
Facebook: N/A
Twitter: N/A

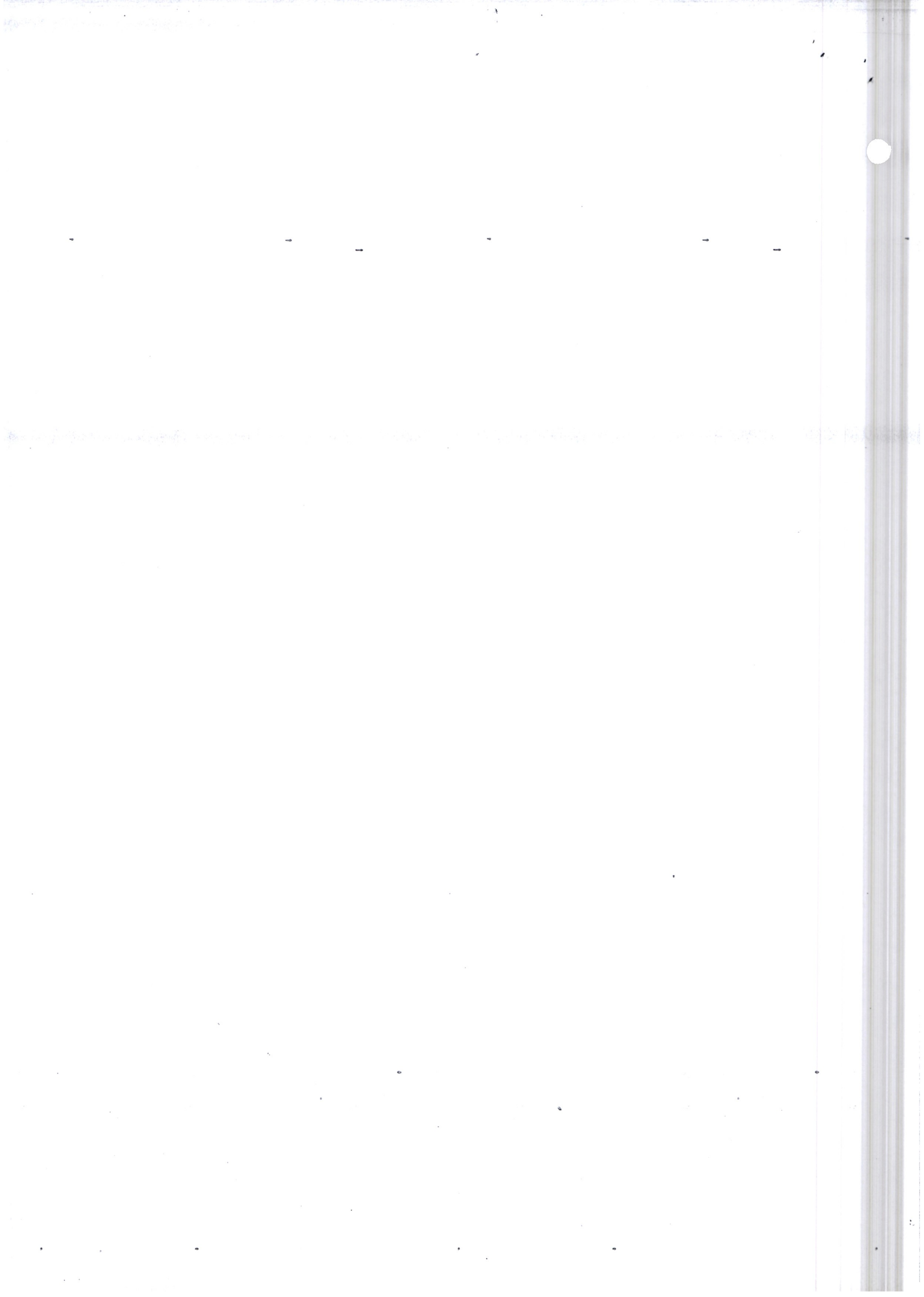
(f) School Bankers

The following school operated six (6) number of bank accounts in the following banks:

1. Name of Bank: NATIONAL BANK OF KENYA
Branch: NYALI
Account Number: 01021007530800
2. Name of Bank: NATIONAL BANK OF KENYA
Branch: NYALI
Account Number: 01021007530800
3. Name of Bank: NATIONAL BANK OF KENYA
Branch: NYALI
Account Number: 01025007530801
4. Name of Bank: NATIONAL BANK OF KENYA
Branch: NYALI
Account Number: 01281007530800
5. Name of Bank: NATIONAL BANK OF KENYA
Branch: NYALI
Account Number: 01242008436300
6. Name of Bank: NATIONAL BANK OF KENYA
Branch: NYALI
Account Number: 01025007530803

(g) Independent Auditors

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



**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
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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:**

Year	Surplus/Deficit
2021/2022	(7,654,202.63)
2021	1,349,948.35
2020	5,219,595.20
2019	1,363,636.40
2018	(158,472.65)

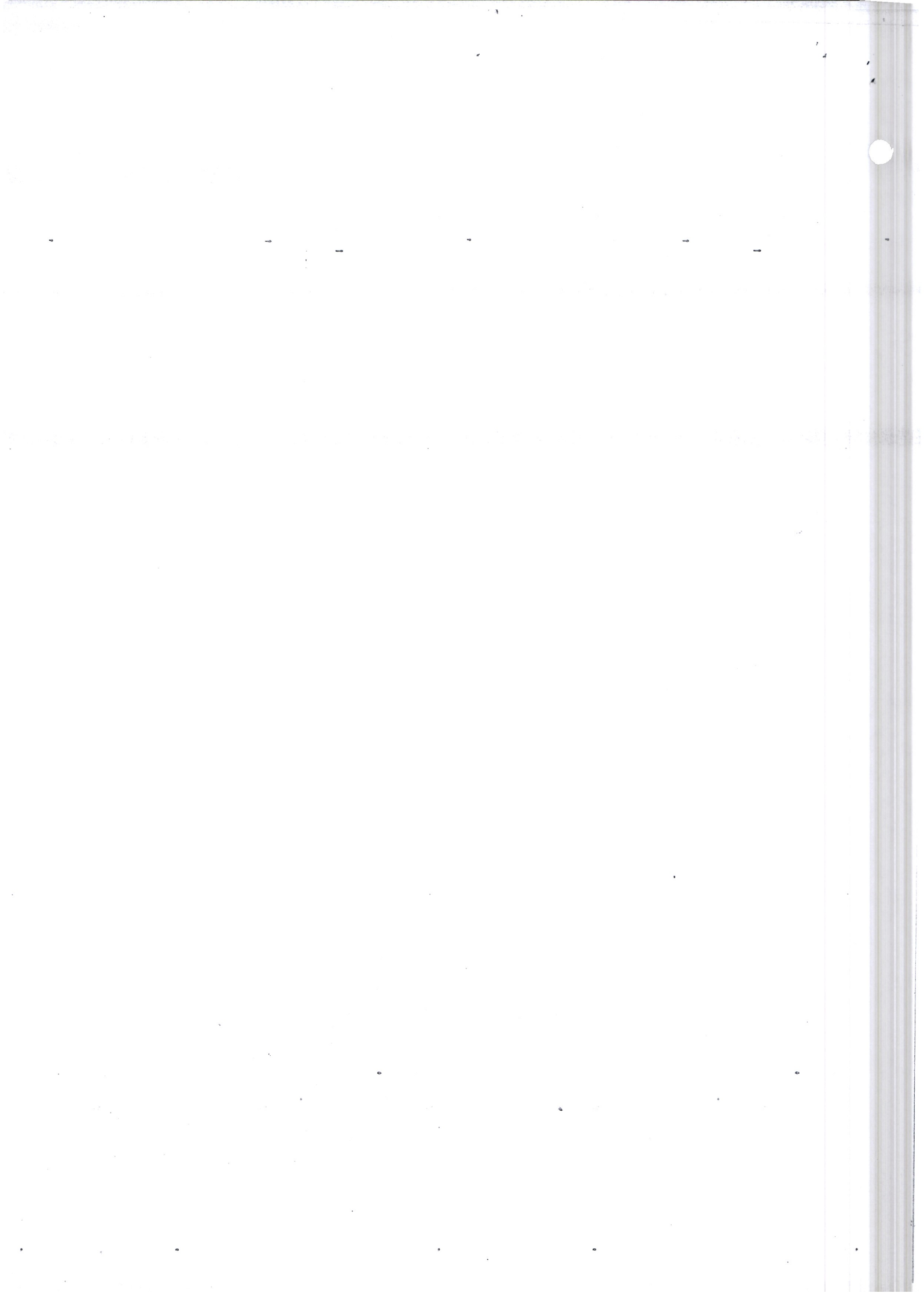
Year	Capitation Grants			
	Multiple	Main	Operation	Total
2021/2022	2,387,427.39	7,091,104.50	4,525,911.30	12,855,835.07
2020/2021	376,685.25	5,216,580.00	2,352,392.20	7,945,657.45
2019/2020	511,734.00	10,433,160.00	5,492,125.00	16,438,303.00

- Ratio of capitation grant per student over the last three years
- A three-year overview of growth of other income(s) earned by the school.

Year	Accommodation Income
2021/2022	-
2020/2021	-
2019/2020	85,500.00

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

Year	Expenditure
2021/2022	32,258,089.90
2020/2021	13,432,961.80
2019/2020	11,470,015.75



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

Year	Fees	Rent	Creditors
2020/2021	985,930.00	258,912.00	2,476,183.64
2019/2020	2,978,226.00	202,502.00	3,108,287.95
2018/2019	3,663,286.00	159,002.00	2,881,286.75

Movement of cash and bank balances over the last three years

Year	Cash and bank balances
2020/2021	11,508,483.25
2019/2020	14,273,421.85
2018/2019	13,481,053.60

b) Teacher Student ratio:

1. TEACHER- STUDENT RATIO- 1:18
2. NO OF TEACHERS RECRUITED AND REPORTED- 2
3. NO OF TEACHERS TRANSFERRED/ RETIRED – 1
4. NUMBER OF TEACHERS EMPLOYED BY TSC – 20
5. NUMBER OF TEACHERS EMPLOYED BY B.O.M- 5

c) Mean score in the 2019- 2021 KCSE:

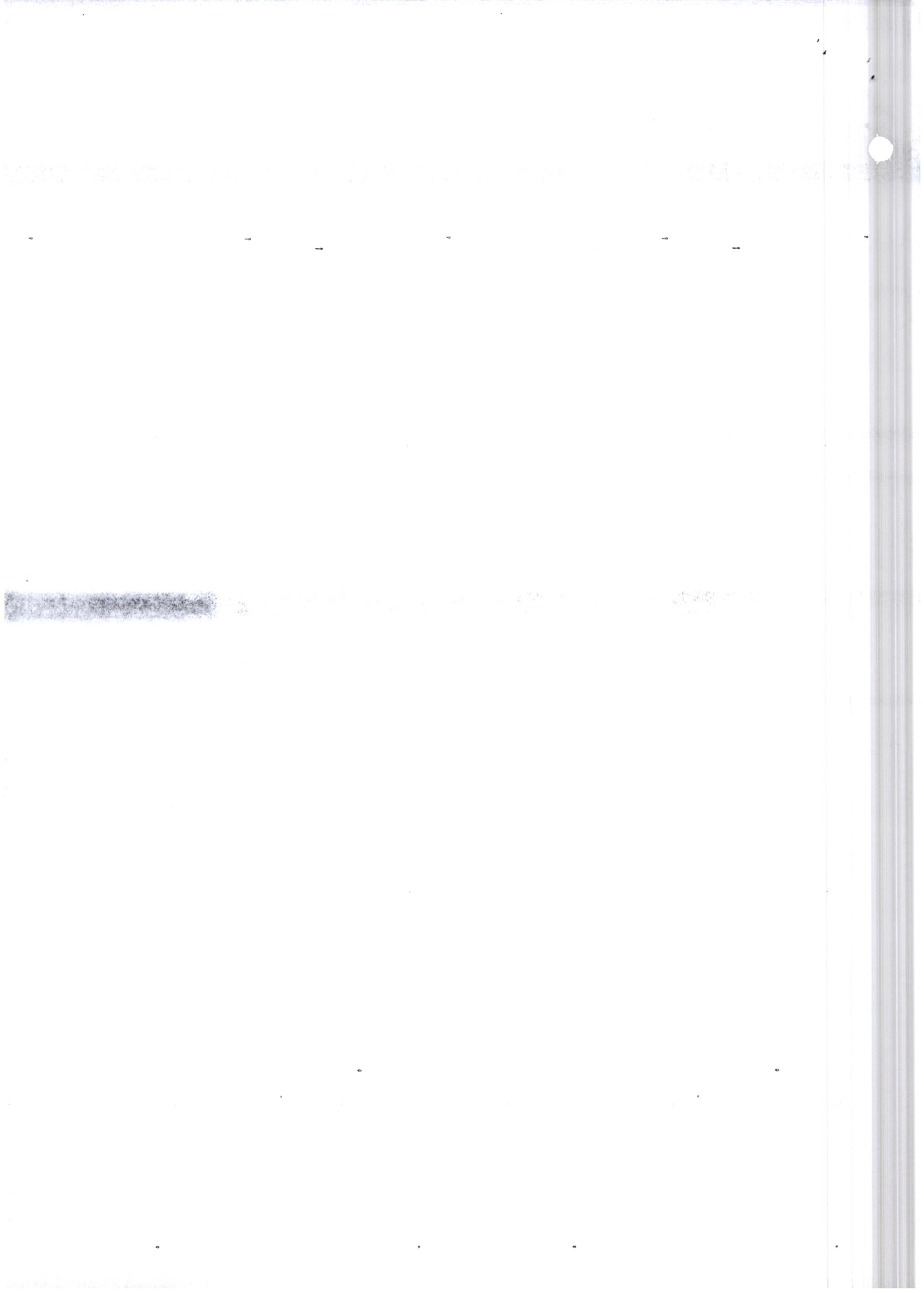
2019 Mean score- 2.915

2020 Mean score- 2.639.

2021 Mean Score- 2.726

There was an improvement of +0.087

For the past three years, 50 boys scored D+ and above and therefore qualified for other institutions of learning.



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d) Number of Candidates in the 2019- 2021 KCSE:

The following students sat for KCSE in the respective years.

2019- 48

2020- 61

2021- 84

e) Capacity of the school:

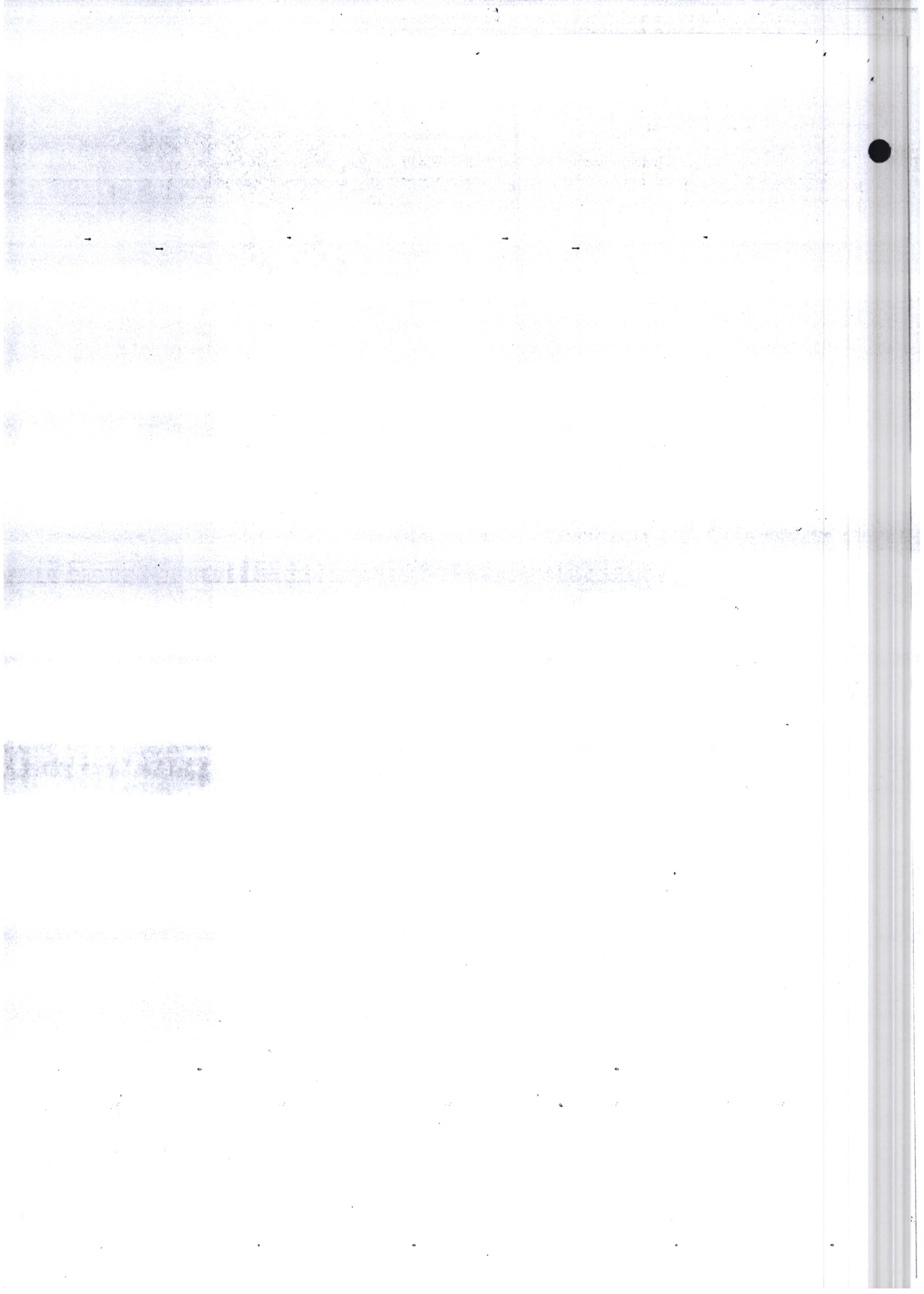
In 2021, the school had a population of 341 students.

3 dormitories with a capacity of 150 boys.

1 Dinning Hall

2 Laboratories

16 toilets



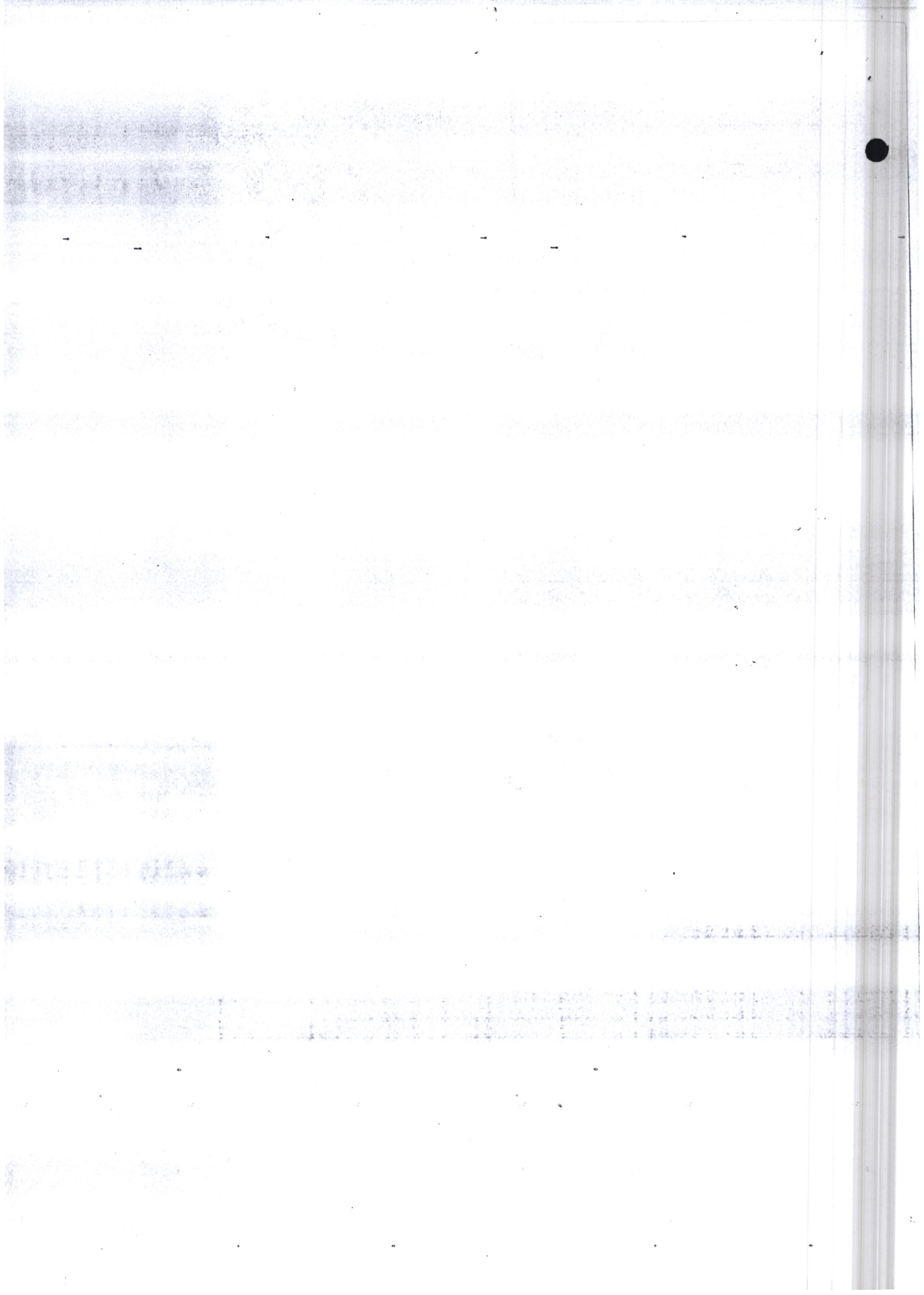
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f) Development projects carried out by the school:

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

S/N	QNTY	PROJECT DONE/ONGOING	SOURCE OF FUND
1	1	Administration Block. Ongoing	MOE -SNE
2	3	Classrooms. Ongoing	MOE
3	1	Classroom done	MOE





**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
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Annual Report and Financial Statements
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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.

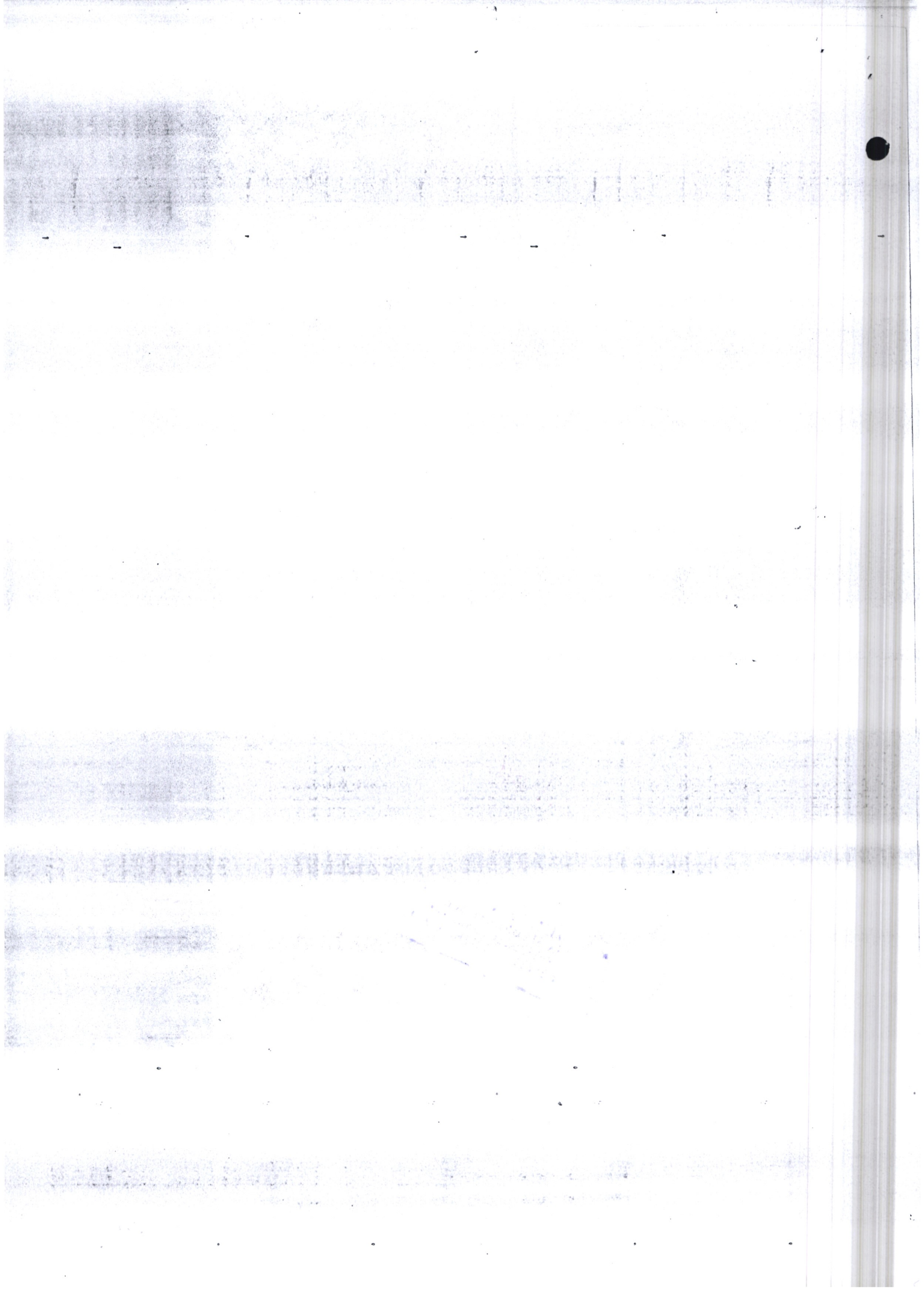
The Board of Management of Mombasa Secondary School for the Physically Handicapped accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: MARK MUNGE
Designation: Chairman, School Board of Management
Sign: *cm*
Date: 21/07/2023

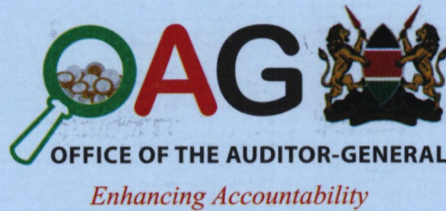
Name: MANOAH, MOSES OMONYO
Designation: School Principal & Secretary to Board of Management
Sign: *M. Manoh*
Date: 21/7/23

Name: DOROTHY ATIENO ODUOR
Designation: Bursar/ Finance Officer
Sign: *D. Atieno*
Date: 21/07/2023



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED FOR THE YEAR ENDED 30 JUNE, 2021 – MOMBASA COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal 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 Mombasa Secondary School for the Physically Handicapped – Mombasa County set out on pages 13 to 30, which

comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, statement of receipts and payments, statement of cash flows and the statement of budgeted verses actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information notes in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statement presented for audit revealed variances in the statement of receipts and payments and statement of cash flows as shown below;

Component	Statement of Receipts and Payments (Kshs.)	Cash Flows Statement (Kshs.)	Variance (Kshs.)
Capitation for Operation	2,352,392	2,757,739	405,347
Parents Contribution	2,077,746	9,248,274	7,170,528
Other Receipts	7,276,190	0	7,276,190
Payment for Tuition	635,290	792,590	157,300
Payment for Operation	2,366,971	2,836,862	469,891
Boarding Payments	8,460,294	9,562,149	1,101,855
Acquisition of Assets	1,970,407	1,881,420	88,986

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

2. Unsupported Outstanding Students Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects accounts receivables balance of Kshs.13,393,097. The balance includes amount of Kshs.985,930, Kshs.2,473,154 and Kshs.9,504,099 on current outstanding fees, previous year arrears and fees arrears for a period of over two years respectively. However, the total amount was not supported with any ledgers or schedules and Management did not demonstrate any measures put in place to recover the long outstanding fees arrears.

In addition, the balance excludes unconfirmed amount on rent owed by a local company and unqualified rent amount from debtors. Management failed to provide any analysis of the outstanding amounts or how the receipts had been accounted for.

In the circumstances, the accuracy, recoverability and completeness of accounts receivables balance of Kshs.13,393,096 could not be confirmed.

3. Unconfirmed Accounts Payables

The statement of financial asset and financial liabilities reflects accounts payable balance of Kshs.2,476,184 as disclosed in Note 12 of the financial statements. Review of the list of creditors provided accounted for payables totalling Kshs.2,139,013 resulting to an unexplained and unreconciled variance of Kshs.337,171. In addition, there were no schedules or ledgers, or any legal contracts between the suppliers listed and the School in support of the accounts payable balance.

In the circumstances the accuracy and existence of accounts payables balance of Kshs.337,170 could not be confirmed.

4. Unsupported Cash and Cash Equivalentents

The statement of financial assets and financial liabilities and as disclosed in Note 8 and Note 9 to the financial statements reflects an amount of Kshs.11,583,099 in respect to cash and cash equivalentents which includes an amount of Kshs.11,508,483 in bank accounts and Kshs.74,615 as cash in hand. The bank balance relates to six bank accounts. However, Management did not prepare monthly bank reconciliation statements for the saving and gratuity accounts which held an amount of Kshs.149,127 and Kshs.528,960 respectively as at 30 June, 2022.

In addition, the cash balance of Kshs.74,615 includes a negative amount of Kshs.5,389 that relates to the operation account. This amount was offset from the cash and cash equivalentents balance contrary to Paragraph 1.3.20 of the International Public Sector Accounting Standards: Financial Reporting Under Cash Basis of Accounting which requires the reporting of cash receipts, payments and balances on a gross basis and shall not be offset unless required or permitted by the accounting standards. Further, the management failed to provide authority to overdraw the account.

In the circumstances, the accuracy and completeness of the cash and cash equivalentents balance of Kshs.11,583,099 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mombasa Secondary School for the Physically Handicapped 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.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The Public Sector Accounting Standards Board Guidelines on Implementation of International Public Sector Accounting Standards by Secondary Schools in Kenya of 20 August, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing the financial statements for longer period is due to the adoption of IPSAS for schools and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only one year for financial year 2020-2021 with comparative balances for financial year 2019-2020. Therefore, the financial statements have not been prepared for eighteen (18) months as prescribed by the Public Sector Accounting Standards Board.

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to Government fiscal year or on the lack of comparability due to the longer period covered by the current financial period.

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

2. Non-Banking of School Cash Receipts

During the year under review, Management received school fees from parents in the form of cash. A sampled period of five months between February to June, 2021 revealed that the School received a total of Kshs.555,519 which was utilized before banking into the

School fund bank account contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015.

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

3. Failure to Optimize on the Capabilities of Financial System

The School operates a System for management of its financial records which is maintained at an annual maintenance fee of Kshs.40,000. Review of the system revealed that the system capabilities include recording of; fee receipts, capitation receipts, payments to suppliers, any other payments, cashbook and ledgers management and preparation of financial reports. However, it was observed that the School was using the system for only fee collection despite the other modules being active, available and usable.

In the circumstances, value for money has not been realised from the system in the system.

4. Failure to Include Pending Bills as First Charge

The Statement of financial asset and financial liabilities reflect an amount of Kshs.2,476,183 on accounts payables as disclosed in Note 12 to financial statements. Review of the summaries disclosed in Note12 to financial statement revealed that the outstanding balance of Kshs.2,316,868 included trade creditors of Kshs.2,227,998 and Kshs.88,870 for the previous year which were still pending in the current financial year contrary to Section Regulation 42(1)(b) of the Public Finance Management (National Government) Regulations 2015, which requires debt service payments to form first charge.

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

5. Lack of a Procurement Plan

The School did not prepare a procurement plan for the year under review contrary to Section 53(2) and (5) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020.

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

6. Failure to Maintain Cash Books

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.11,508,483 as disclosed in Note 8 to the financial statements compared to an amount of Kshs.14,273,421 reported in the last financial year. Review of the key information on the school revealed that Management maintained six (6) bank accounts for school transactions. However, Management maintained cash books for only three (3) accounts namely; tuition, infrastructure and operation contrary to Regulation 100 of the Public Finance Management Regulations, 2015 which states that an Accounting Officer shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments and shall maintain such other books and

registers as may be necessary for the proper maintenance and production of the accounts of the Vote for which he or she is responsible.

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

7. Use of Un-Prequalified Suppliers

The statement of receipts and payments reflects payments for tuition amount of Kshs.635,290 as disclosed in Note 5. Review of the expenditure records revealed that Management engaged various suppliers during the year but did not provide an approved list of prequalified suppliers for the supply of goods and services contrary to Section 95(3) of the of the Public Procurement and Asset Disposal Act of 2015, which provides that the procuring entity shall invite tenders from only the approved persons who have been pre-qualified.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of a Fixed Assets Register

Annex 2 on summary of fixed assets register provides a summary of assets held in the School. However, Management did not provide a listing of all the assets maintained in the School as at the closure of the year ended 30 June, 2021 contrary to Regulation 143 (1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, existence of effective measures on assets could not be confirmed.

2. Lack of a School Improvement Plan

Review of expenditure records revealed that the School incurred a total of Kshs.1,881,420 on infrastructure development during the year under review. However, it was observed

that the School did not maintain an approved development plan prior to implementation of its projects contrary to Section 2.2. of the Operation Manual from the Ministry of Education which describes the context of preparation and content of a School Improvement Plan (SIP).

In the circumstances, the value for money for the expenditure 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 controls, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

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

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


12 October, 2023

**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

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

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,037,849.00	376,685.25
Capitation grants for operations	2	4,526,911.30	2,352,392.20
School Fund Income- Parents' Contributions	3	9,680,874.00	2,077,746.00
School Fund Income- Other receipts	4	9,358,252.97	7,276,190.00
Proceeds from borrowings		-	-
TOTAL RECEIPTS		24,603,887.27	12,083,013.45
PAYMENTS			
Payments for Tuition	5	2,135,490.00	635,290.00
Payments for operations	6	13,229,727.71	4,337,337.80
Boarding and school fund payments	7	16,892,872.19	8,460,294.00
TOTAL PAYMENTS		32,258,089.90	13,432,961.80
SURPLUS/DEFICIT		(7,654,202.63)	(1,349,948.35)

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

Sign: 

Name MARY MUKHE

Chair BOM

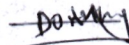
Date 21/07/2023

Sign: 

Name MAMUNU M. O

School Principal/
Secretary to BOM

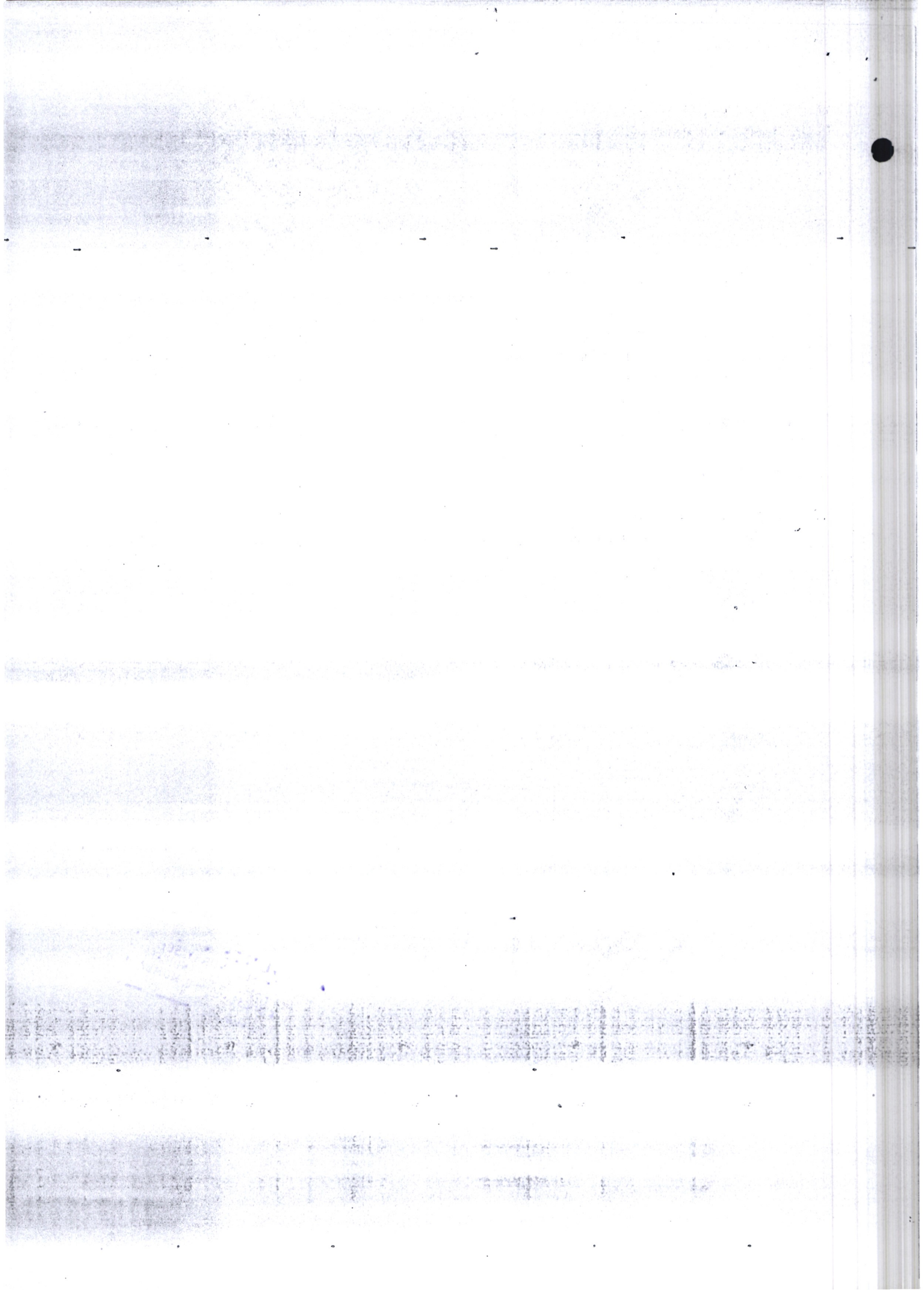


Sign: 

Name DEBORAH A. OJUA

Bursar/
Finance Officer





**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
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**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2021**

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	4,042,898.72	11,508,483.25
Cash Balances	9	119,005.00	74,615.00
Short term Investment	10	-	-
Total Cash and cash equivalent		<u>4,161,903.72</u>	<u>11,583,098.99</u>
Account's receivables	11	16,827,356.75	12,684,826.75
TOTAL FINANCIAL ASSETS		20,989,260.47	24,976,195.74
FINANCIAL LIABILITIES			
Accounts Payables	12	(6,143,451.00)	(2,476,183.64)
NET FINANCIAL ASSETS		(14,845,809.47)	(22,500,012)
REPRESENTED BY			
Accumulated Fund b/fwd	13	25,500,012.10	23,849,960.45
Surplus/Deficit for the year		(7,654,202.63)	(1,349,948.35)
NET FINANCIAL POSITION		14,845,809.47	22,500,012.10

The School's financial statements were approved on

2021 and signed by:

Name: _____
Chairman, BoM

Sign: *[Signature]*

Date: 21/07/2023

Name: *[Signature]*
School Principal/Secretary to
BoM

Sign: *[Signature]*

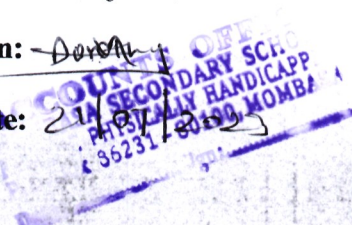
Date: *[Signature]*

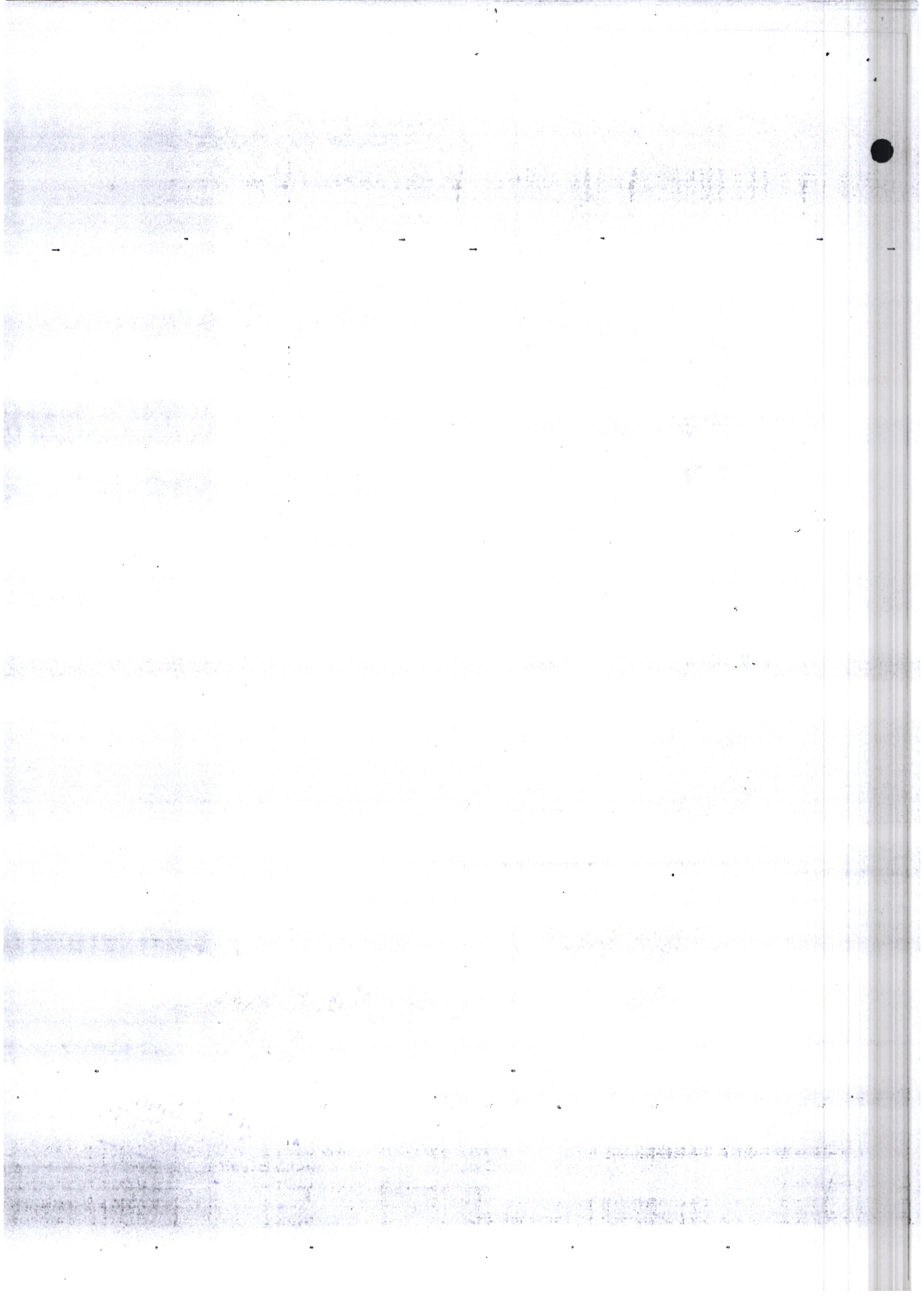


Name: *[Signature]*
Bursar/Finance

Sign: *[Signature]*

Date: *[Signature]*

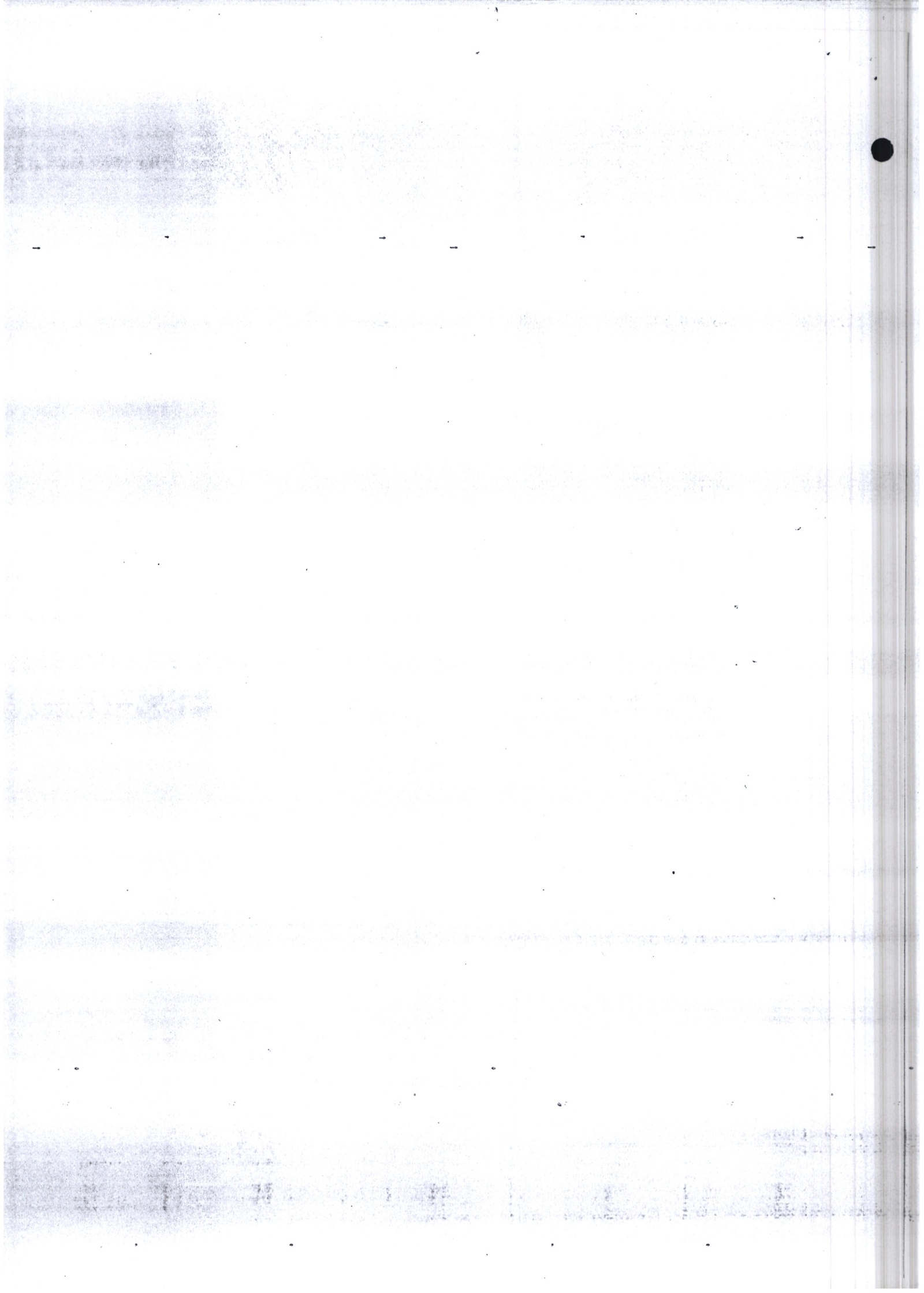




**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

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

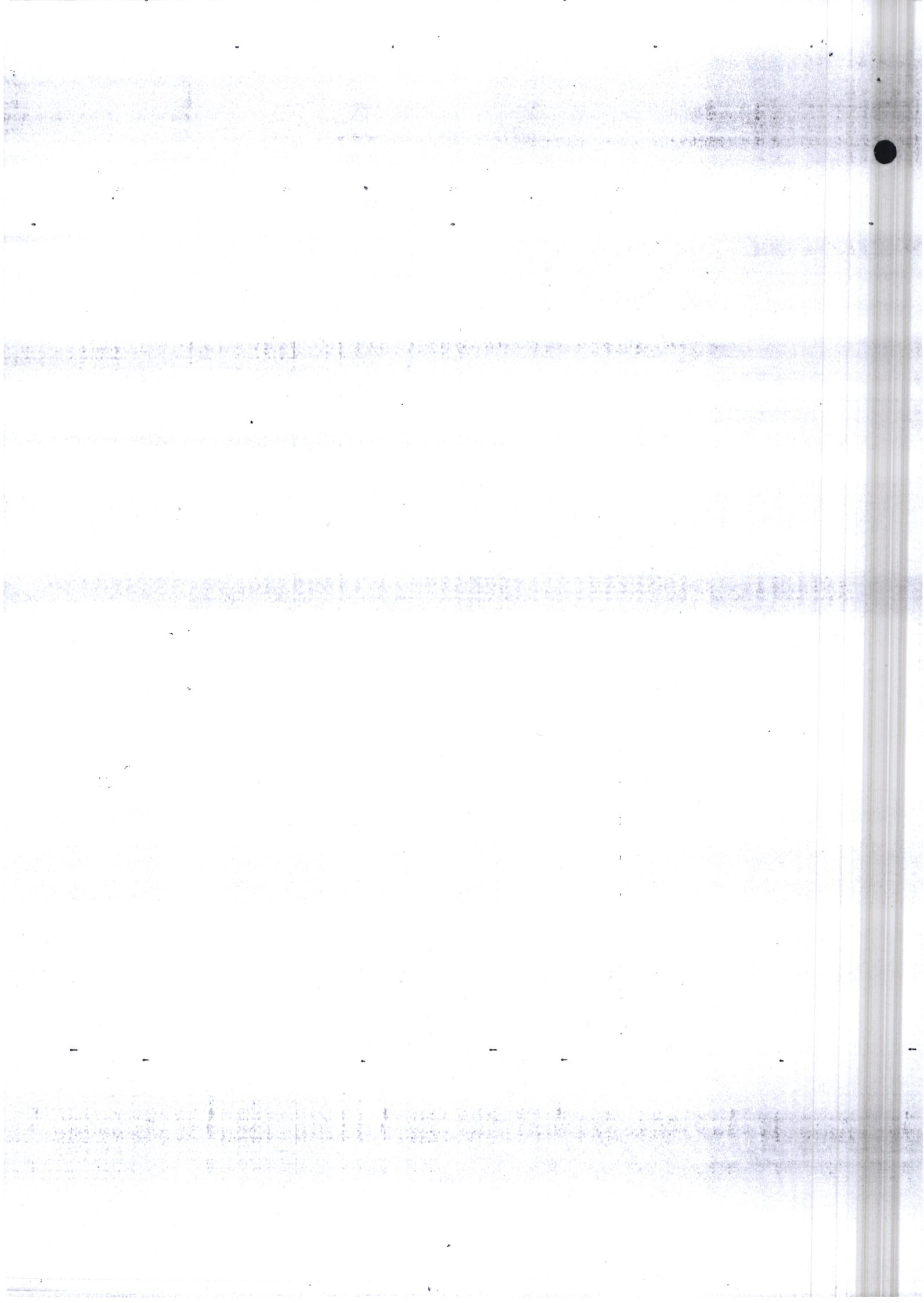
		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,037,849.00	376,685.25
Capitation grants for operations	2	5,272,871.50	2,757,739.20
School fund income- Parents contributions/ fees	3	18,866,107.77	9,248,274.00
School fund income- other receipts		-	-
Total receipts		25,176,828.27	12,382,698.45
Payments			
Payments for Tuition		940,990.00	792,590.00
Payments for operations		5,242,529.59	2,836,862.31
Boarding and school fund payments		18,049,627.00	9,562,149.00
Total payments		24,233,146.59	13,191,601.31
Net cash flow from operating activities		943,681.68	(808,902.86)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		((8,364,876.95)	(1,881,420.00)
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		(8,364,876.95)	(1,881,420.00)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		(7,421,195.27)	(2,690,322.86)
Cash and cash equivalent at BEGINNING of the year		11,583,378.99	14,273,421.85
Cash and cash equivalent at END of the year		4,161,903.72	11,583,378.99



MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
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Reports and Financial Statement
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses (Item)	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	1,439,620.00	-	1,439,620.00	1,037,849.00	401,771.00	72
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
(2) CAPITATION GRANT ON OPERATIONS						
Other voteheads	4,277,000.00	-	4,277,000.00	2,514,411.30	1,762,588.70	59
Repairs and maintenance	2,275,000.00	-	2,275,000.00	2,012,500.00	262,500.00	88
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
Medical	295,750.00	-	295,750.00	1400.00	294,350.00	0.5
Administration costs	-	-	-	-	-	-
Activity	682,500.00	-	682,500.00	250,657.00	431,843.00	37
SMASSE	70,000.00	-	70,000.00	-	-	-

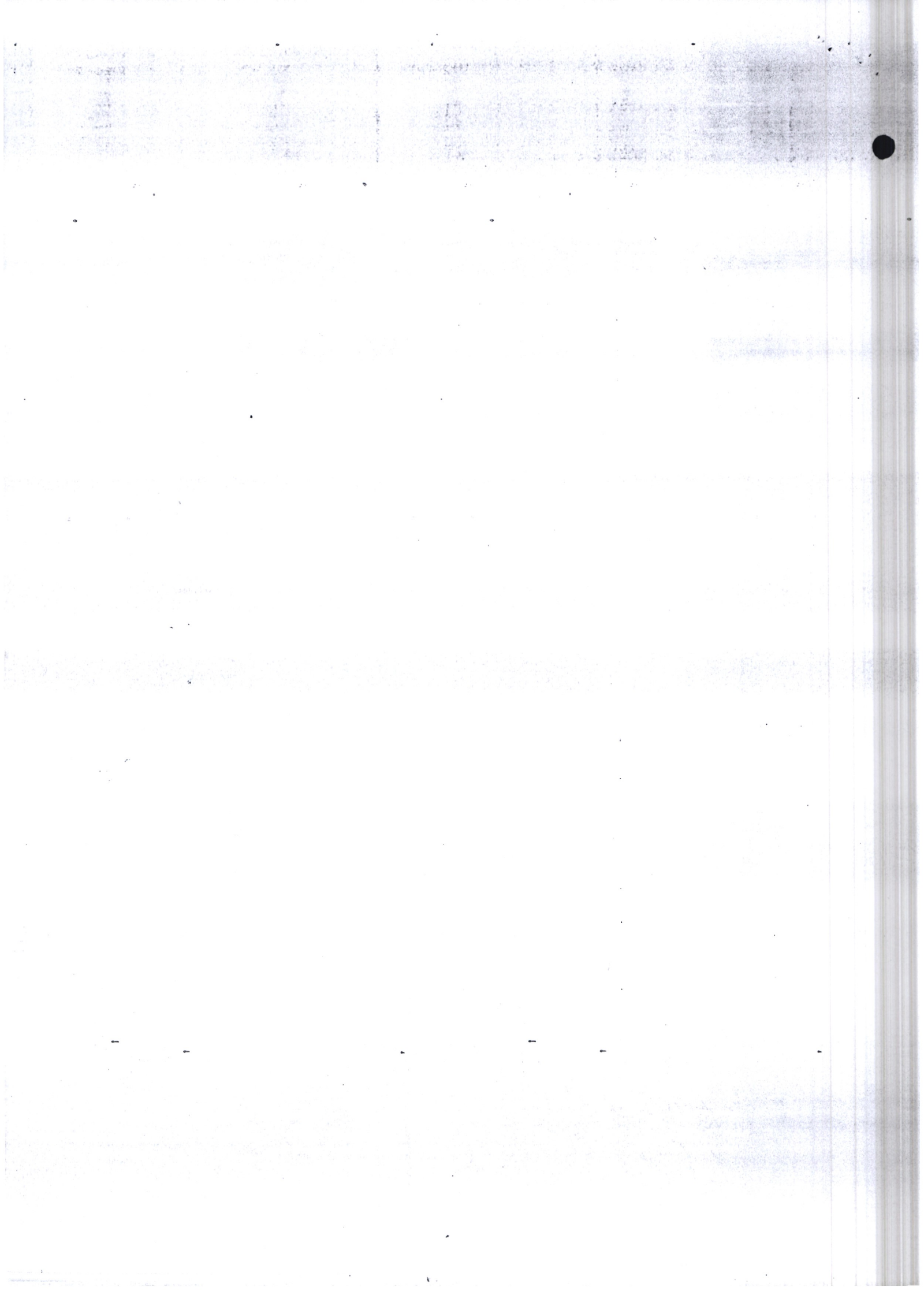


MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
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Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses /item	(Original Budget		Adjustments		Final Budget		Actual on		Budget Utilization		% of Utilization f-d/c % Kshs
	a	Kshs	b	Kshs	c=a+b	d	e-c-d	Kshs	Kshs		
SMASSE	-	-	-	-	-	-	-	-	-	-	-
(3) FEES CHARGED ON PARENTS											
othervoteheads	3,175,315.00	-	-	-	3,175,315.00	3,175,315.00	178,433.67	81.85			
Repairs and maintenance	624,000.00	-	-	-	624,000.00	361,375.00	91,419.00	72.79			
Local transport / travelling	-	-	-	-	-	-	-	-			
Electricity and water	-	-	-	-	-	-	-	-			
Bom teachers	-	-	-	-	-	-	528,631.00	12.58			
Administration costs	-	-	-	-	-	-	-	-			
Activity	51,870.00	-	-	-	51,870.00	-	61,513.00	58.99			
SMASSE	-	-	-	-	-	-	-	-			
BES/Lunch	5,525,195.00	-	-	-	5,525,195.00	5,525,195.00	2,111,059.33	29.04			
OTHER INCOME											
Rent income	513,312.00	-	-	-	513,312.00	391,542.00	127,200.00	70.86			
SNE Subsidy and Top Up	7,795,814.00	-	-	-	7,795,814.00	7,091,104.77	(1,018,834.00)	124			
Others	-	-	-	-	-	1,798,150.00	-	-			
Income from Posho mill	-	-	-	-	-	-	-	-			
Income from Bus Hire	-	-	-	-	-	-	-	-			
Fee for hire of ground and equipment	-	-	-	-	-	-	-	-			
Tender fees	45,000.0	-	-	-	45,000.0	-	-	-			
Income from any other investment	-	-	-	-	-	-	-	-			
TOTAL INCOME	14,513,108.00				14,513,108.00	10,332,833.45	4,180,274.55	71.19			
(1) EXPENDITURE FOR TUITION											

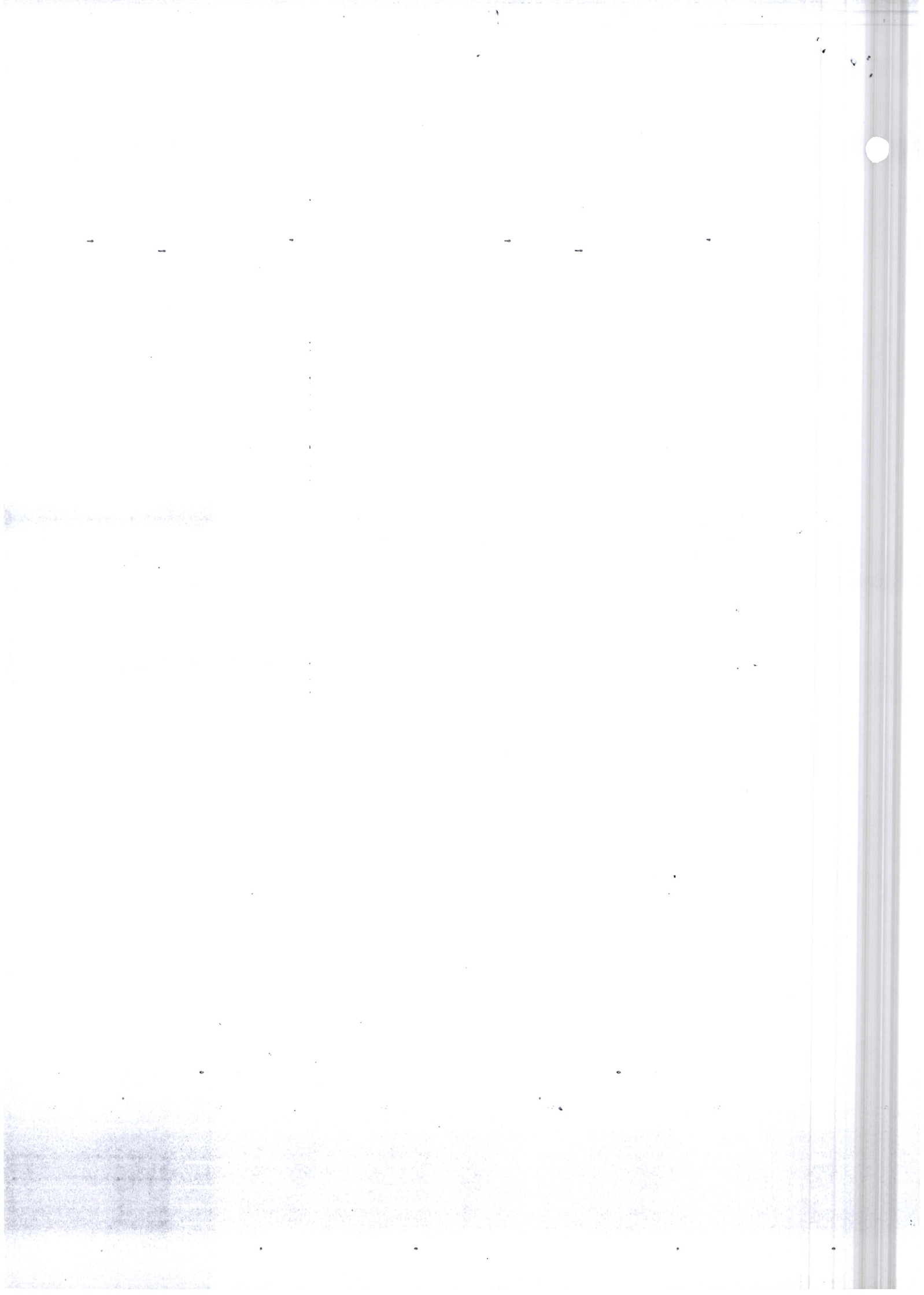
MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
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Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses item	Original Budget	Adjustments	Final Budget	Actual on	Budget Utilization	% of Utilization
	a Kshs	b Kshs	c=a+b	Comparable Basis d	e=c-d Kshs	f=d/e-% Kshs
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	981,820.00	-	981,820.00	635,290.00	346,530.00	64.71
Chalks	-	-	-	-	-	-
Exams end assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
(2) EXPENDITURE FOR OPERATIONS						
Other votehears	8,405,656.00	-	8,405,656.00	7,580,357.30	825,298.70	90.18
Repairs, maintenance & improvements	563,500.00	-	563,500.00	1,113,204.00	(549,704.00)	197.55
Acquisition of assets-admin	-	-	-	1,970,406.50	-	-
Bank charges	-	-	-	840.00	-	-
Medical	140,000.00	-	140,000.00	47,503.00	92,497.00	33.93
Tender	-	-	-	14,000.00	xxx	-
Activity Expenses	997,500.00	-	997,500.00	176,200.00	821,300.00	17.66
Farm	-	-	-	5,250	-	-
Teaching and learning	-	-	-	18,750.00	-	-
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	-	-	-	-	-	-



**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
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For the year ended 30th June 2021**

Receipt/expenses Item	(Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Teaching and learning materials	-	-	-	111,181.00	-	-
Caution money	-	-	-	3,500.00	-	-
Refund	-	-	-	5,600.00	-	-
Medical Expenses	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
Lunch programme	5,523,332.50	-	5,523,332.50	1,116,545.00	4,406,787.50	20.22
B.E.S.	-	-	-	-	-	-
Income generating	-	-	-	-	-	-
Rent expenses	-	-	-	98,700.00	-	-
Tender	-	-	-	18,000.00	-	-
SIC Expenses	-	-	-	64,000.00	-	-
Bank Charges	-	-	-	5730.00	-	-
SNE	-	-	-	600.00	-	-
Farm expenses	-	-	-	446,305.00	-	-
Acquisition of Assets	-	-	-	xxx	-	-
TOTALS	16,611,808.50	-	16,611,808.50	13,432,961.80	5,942,709.20	80.86



**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOLS
Reports and Financial Statement
For the year ended 30th June 2021**

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

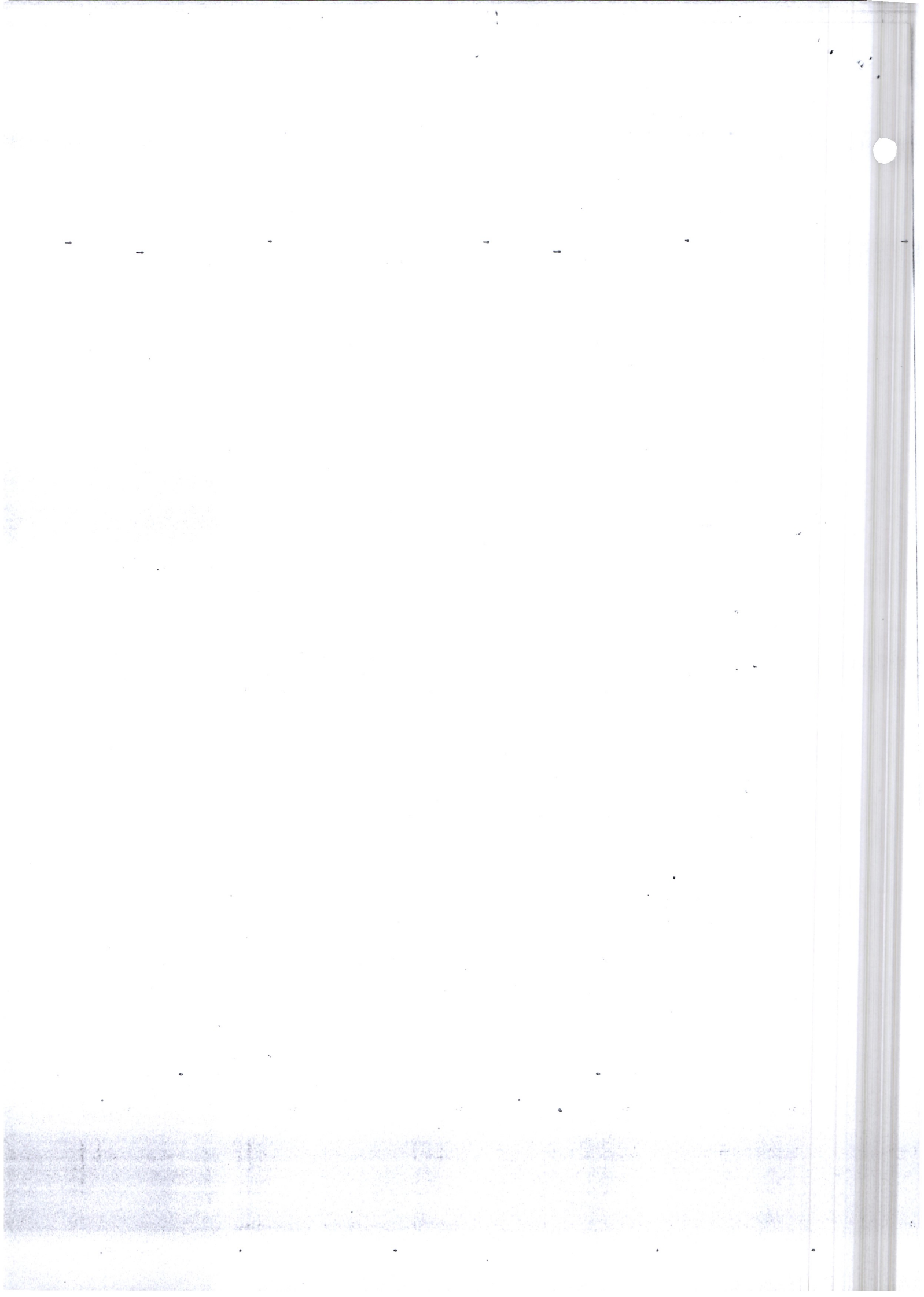
The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

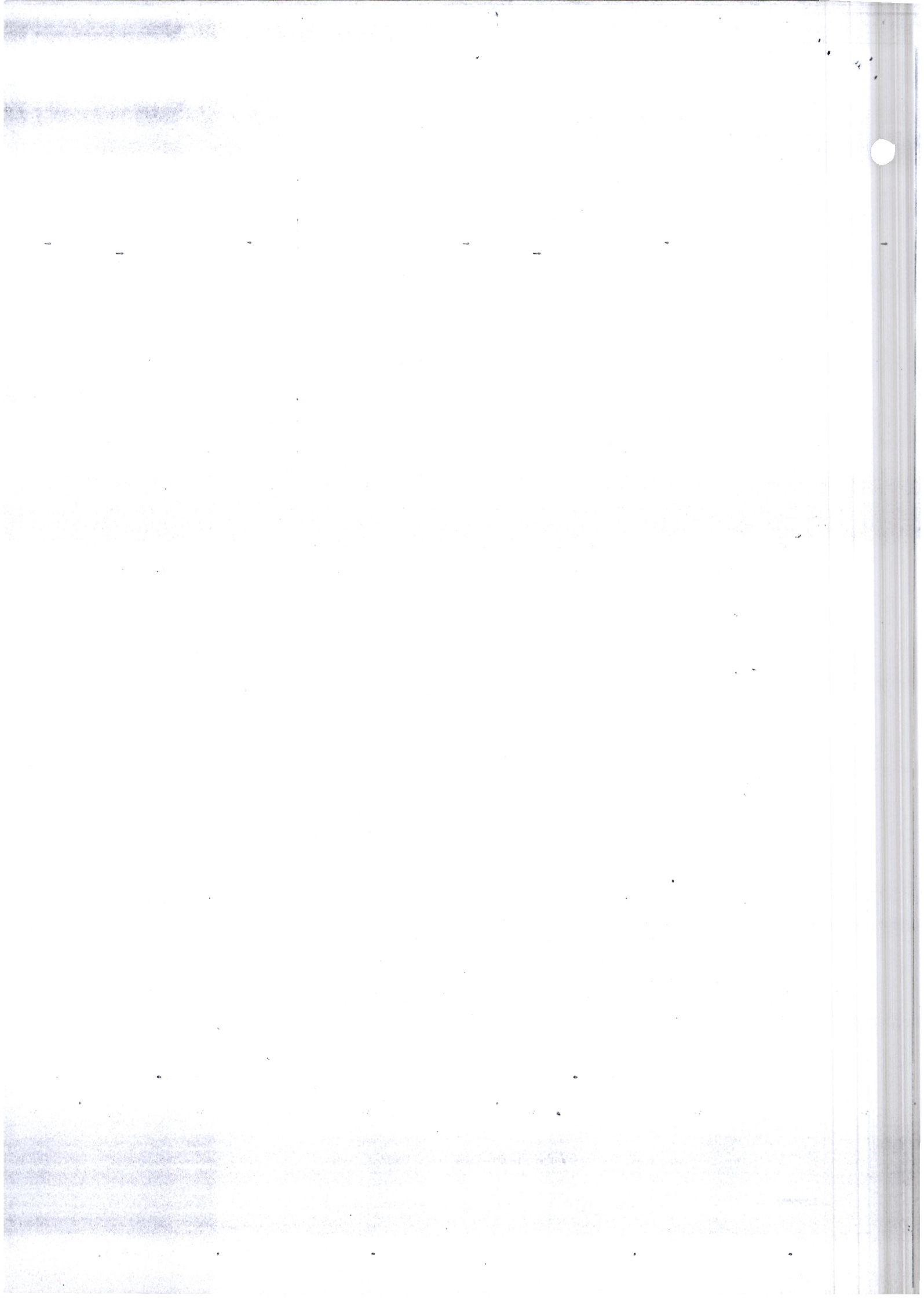
Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account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



**MOMBASA SECONDARY SCHOOL FOR THE PHYSICALLY HANDICAPPED
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 5. Accounts Receivable**
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
- 6. Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.
- 7. Non-current assets**
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
- 8. Budget**
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
- 9. Comparative figures**
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.
- 10. Subsequent events**
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.



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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	511,794.00
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	376,685.25	-
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Internal Transfer(Main)	-	-
Total	376,685.25	511,734.00

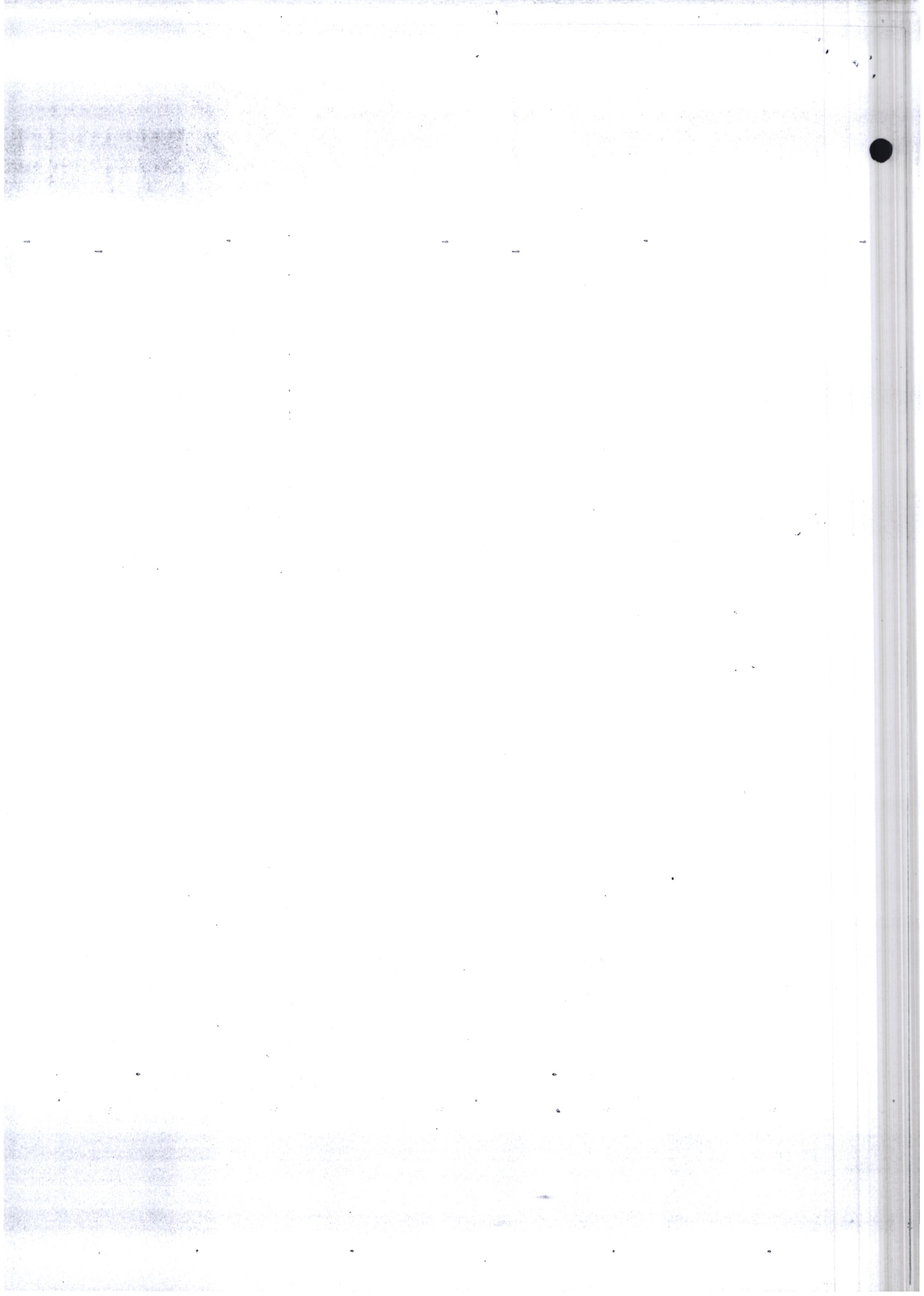
2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
MOE grant	2,352,392.00	2,000,000.00
Repairs and maintenance	-	1,250,000.00
Local transport / travelling	-	240,000.00
Electricity and water	-	-
Medical	-	55,400.00
Administration costs	-	1,837,209.00
Activity	-	110,800.00
Rent Income	-	-
Total	2,352,392.00	5,493,409.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	804,936.33	1,349,854.00
Repairs and maintenance	244,581.00	186,081.00
Local transport / travelling	17,413.00	107,129.00
Electricity and water	46,503.00	381,243.00
BES/lunch program	864,045.67	-
Administration costs	11,780.00	216,472.00
Activity	88,487.00	47,663.00
Total	2,077,746.00	2,288,442.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	00	2,933,380.00
Rent income	309,412.00	200,032.00
Gratuity Savings	-	7,950.00
Other Voteheads	40,868.00	-
MOE special grant	5,216,580.00	10,433,160.00
Transfer from Operation account	-	-
Tender Fees	8,000.00	85,500.00
Damages	1,080.00	-
Miscellaneous		331,170.00
Students ID	250.00	-
Total	5,576,190.00	13,991,192.00

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

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	337,060.00	199,780.00
Internal exams	40,000.00	41,400.00
Teaching / learning materials	258,050	206,910.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	180.00	120.00
Total	635,290	448,210.00



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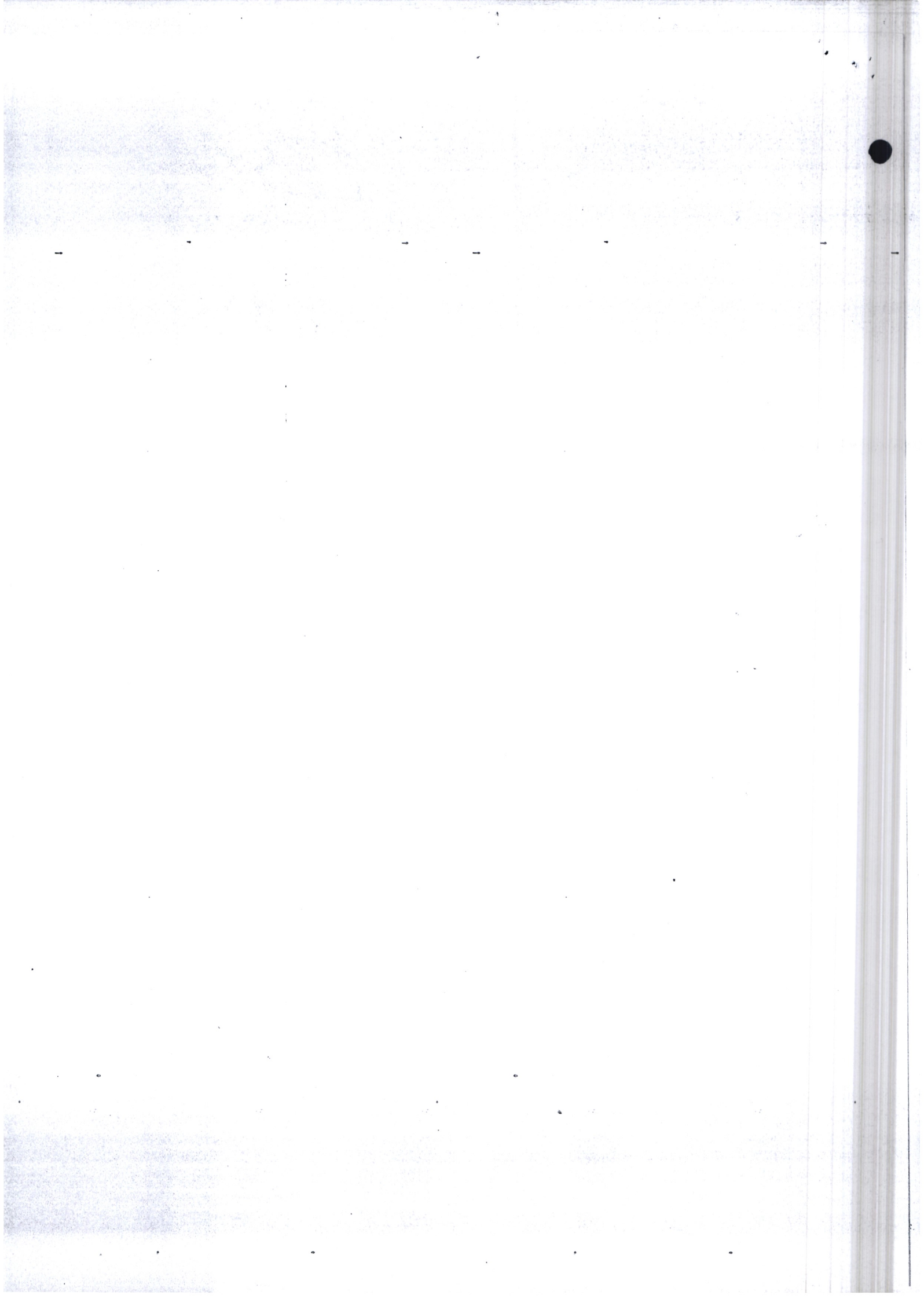
NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,304,283.05	1,637,124.95
Service Gratuity	-	-
Administration Cost	808,596.00	1,066,706.00
Repairs and maintenance & improvements	37,593.00	1,483,790.00
Local transport / travelling	9,100.00	184,760.00
Electricity and water	89,429.25	512,482.00
Farm	5,250.00	67,200.00
Activity Expenses	4,000.00	86,620.00
Teaching & Learning material	18,750.00	240,000.00
BES/LUNCH	75,130.00	-
Bank Charges	840.00	-
Acquisition of Assets-Admin Block	1,970,406.50	1,864,273.00
Tender	14,000.00	-
Rental Expense	-	-
Main Account	-	-
TOTAL	4337,377.80	7,142,956.05

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,189,510.00	2,871,045.00
Service Gratuity	-	-
Repairs and maintenance & Improvements	1,075,611.00	1,199,112.00
Local transport / travelling	204,560.00	476,510.00
Electricity and water	1,157,350.00	791,215.00
Medical Expenses	47,503.00	40,347.00
Administration costs	2,817,529.00	845,462.75
Lunch Programme/BES	1,041,415.00	2,043,686.00
Bank Charges	6,730.00	-
SIC expenses	64,000.00	398,180.00
Farm Expense	446,305.00	9,901.00
Rent Expenses	98,700.00	56,775.00
SNE	600.00	668,652.00
Activity	172,200.00	-
Miscellaneous	-	46,330.00
Refund	5,600.00	-
Teaching & Learning material	111,181.00	-
Caution Money	3,500.00	4,000.00



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Visitors accommodation	-	22,800.00
Tender	18,000.00	-
TOTAL	8,460,294.00	9,474,015.75

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

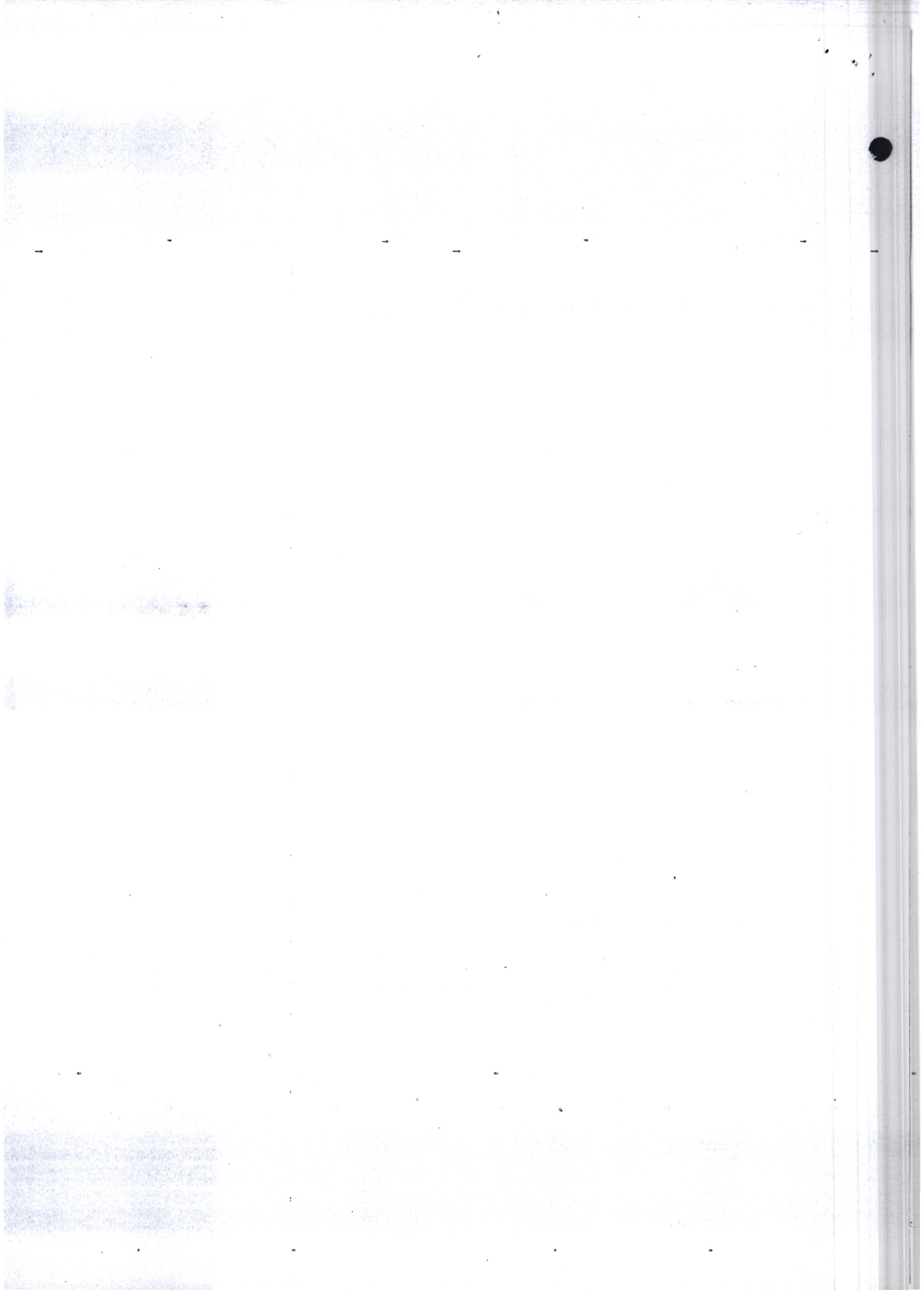
Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	01025007530800	19,345.95	35,270.70
Operations Account	01025007530801	24,340.00	216,303.85
School Fund Account/Boarding	01021007530800	126,327.00	936,190.00
Savings Account	01242008436300	149,127.10	116,287.10
Parent Association Development Account(gratuity account)	01281007530800	528,960.20	427,307.20
Income generating activities Account	-	-	-
Infrastructural Account	01025007530803	10,660,663.00	12,542,083.00
Total		11,508,483.25	14,273,421.85

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	(5,389.26)	-
School Fund account	80005.00	-
Total	74,615	-

10 SHORT TERM INVESTMENTS

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



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11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	12,963,182.75	12,482,324.75
Other non-fees receivables	409,414.00	202,502.00
Salary advances	-	-
Imprest	20,500.00	-
Total	13,393,096.75	12,684,826.75

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

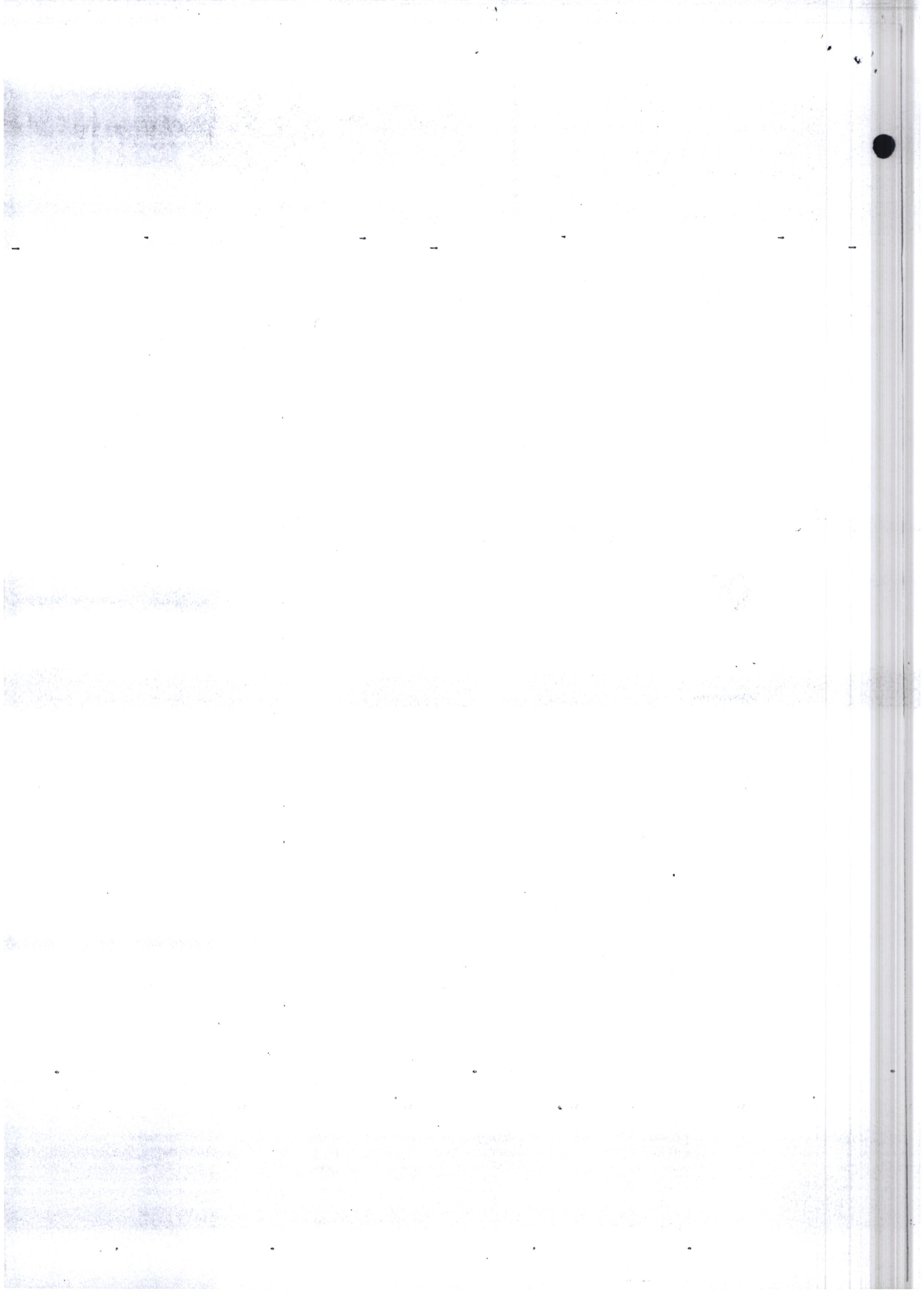
Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	985,930.00	2,978,226.00
Fees arrears for the previous year	2,473,154.00	3,206,804.00
Fee arrears for prior periods (over two years)-2019/2018	9,504,098.75	6,297,294.75
Total	12,963,182.75	12,482,324.75

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	2,316,867.64	1,993,536.00
Prepaid fees	159,316.00	674,544.00
Retention monies	-	-
Imprest	-	-
Total	2,476,183.64	3,108,287.95

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	2,227,997.64	2,433,743.95
Trade creditors for the previous year	88,870.00	-
Trade creditors for prior periods (over two year)Ramtu	-	374,112.00
Total	2,316,867.64	2,433,743.95

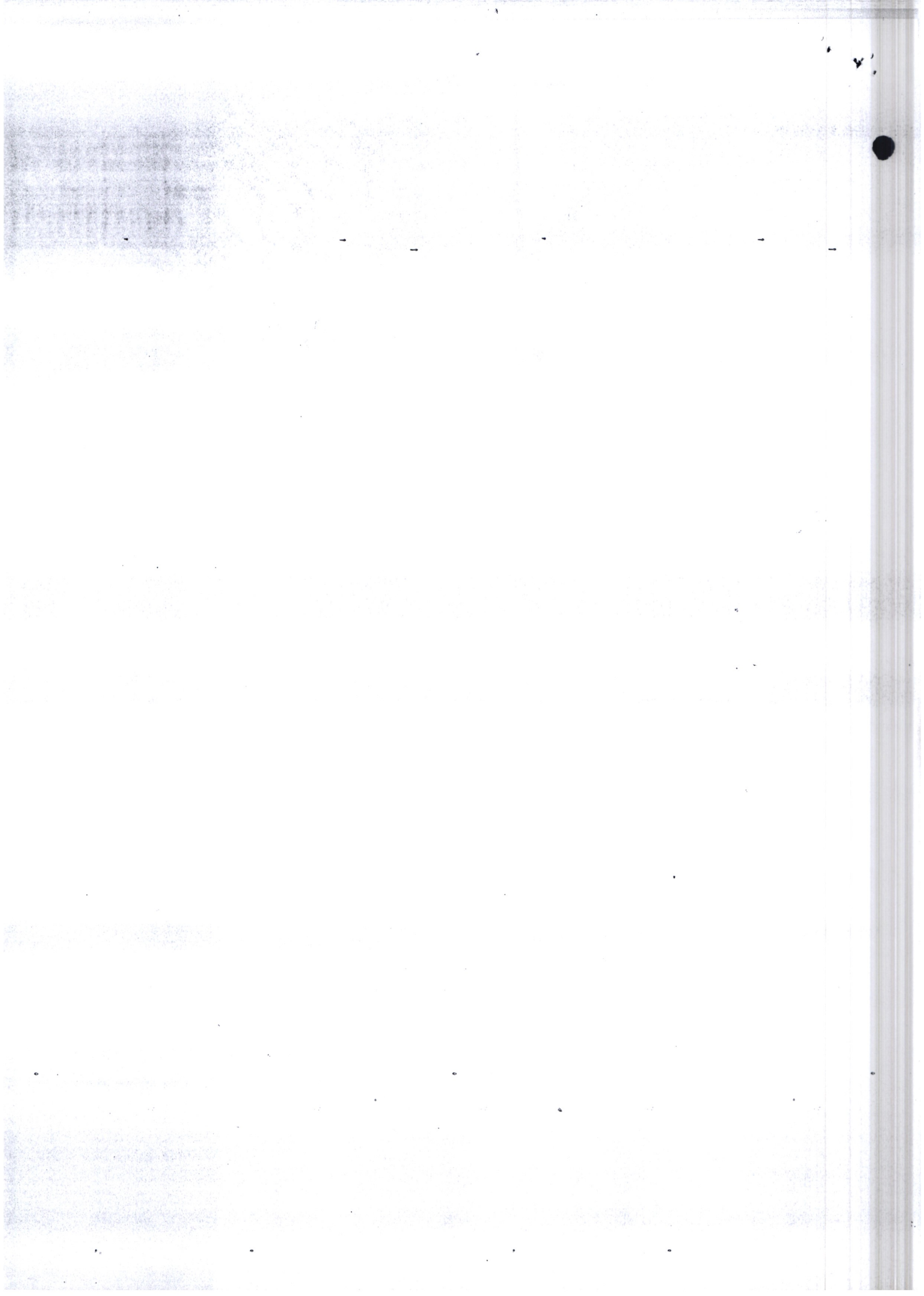


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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	14,273,421.85	12,429,705.45
Cash balances	-	64,207.00
Short Term Investments	-	-
Receivables	12,684,826.75	9,960,580.75
Payables	(3,108,287.95)	(3,824,127.75)
Total	23,849,960.65	18,630,365.45



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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

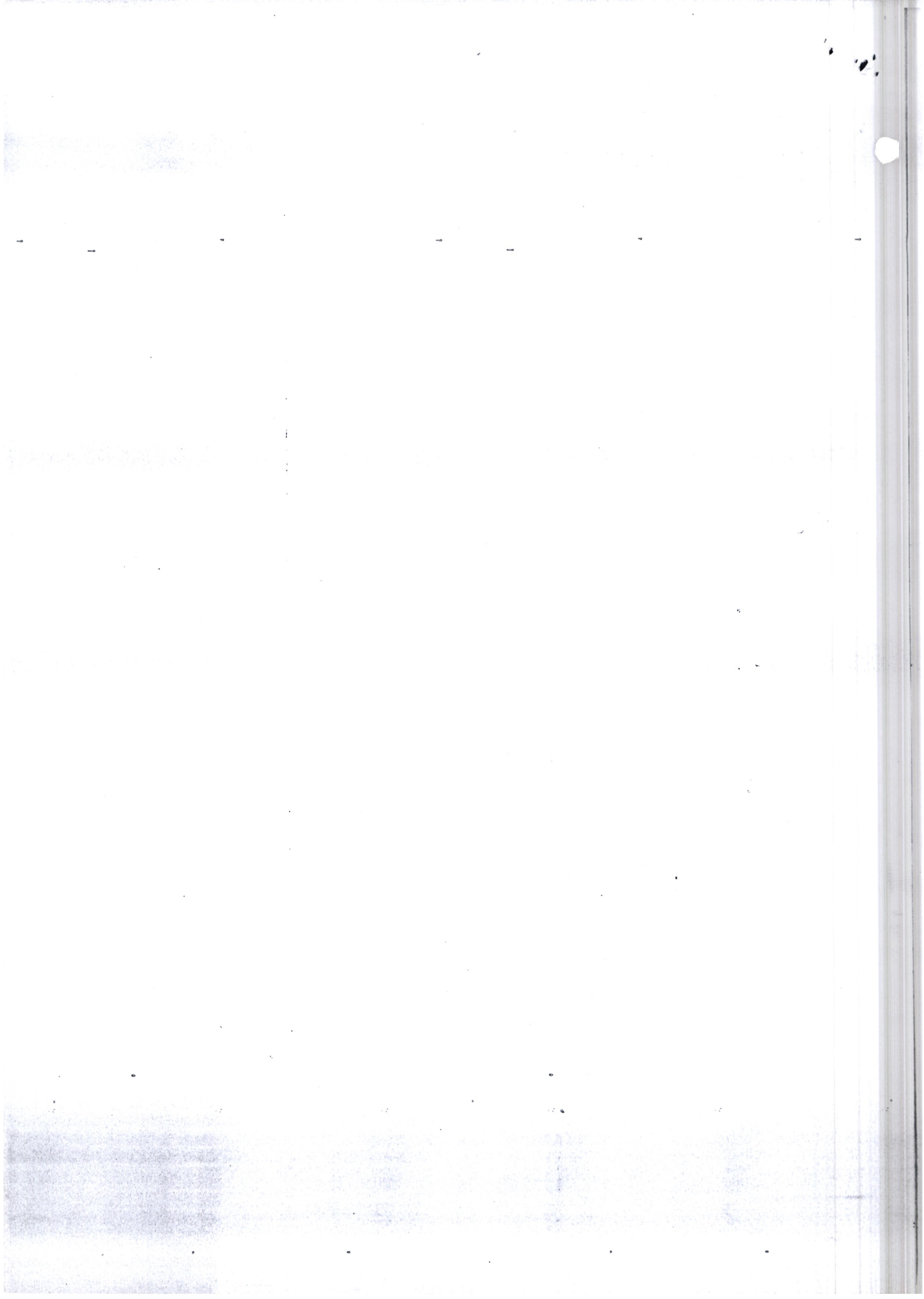
Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	374,112.00	374,112.00
Total	374,112.00	374,112.00

15 Biological assets

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

16 Borrowings

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

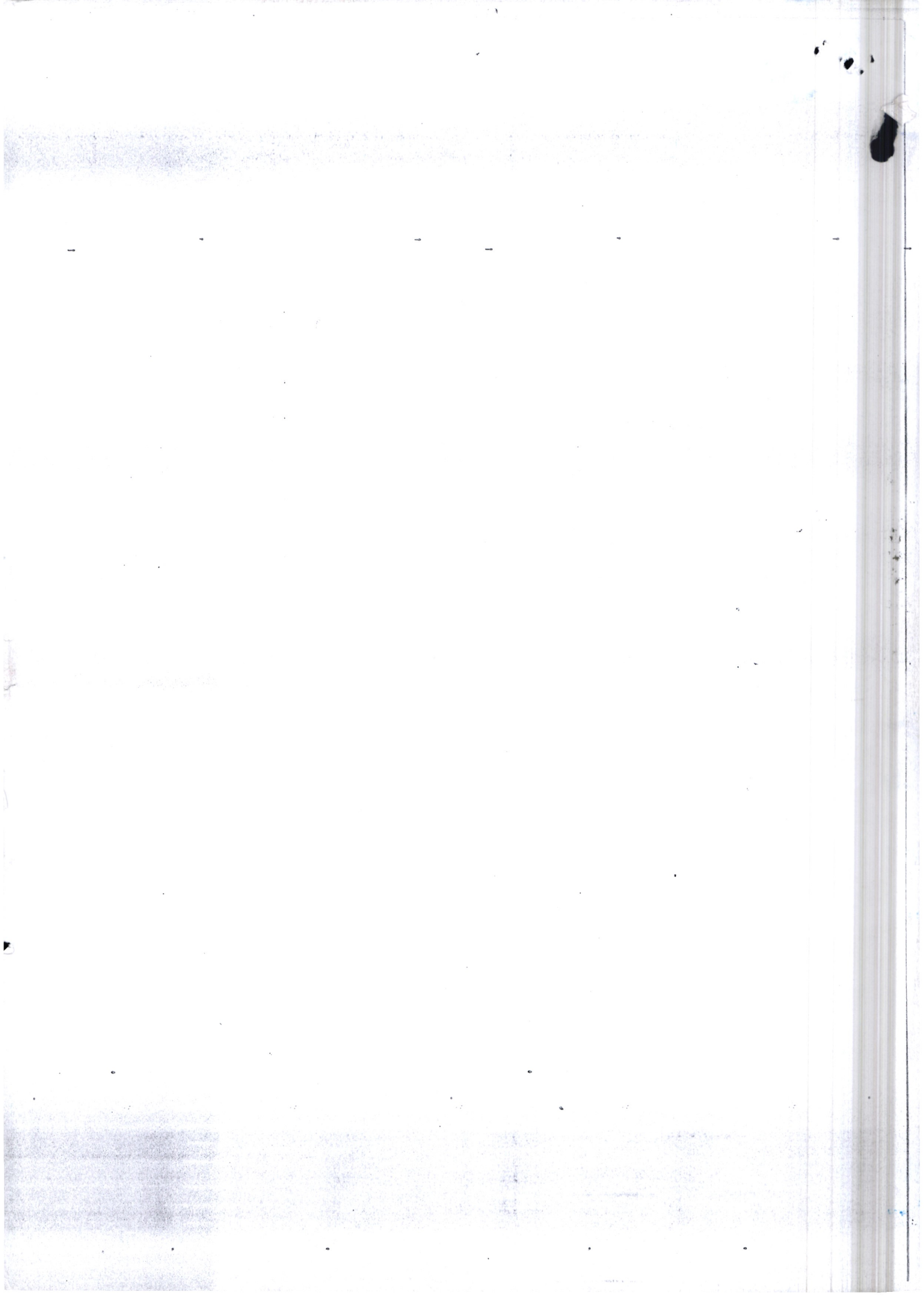


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Other important disclosure notes

17 Stock/ Inventory -

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



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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)

