

REPUBLIC OF KENYA



Enhancing Accountability

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

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THE AUDITOR-GENERAL

ON

KILIFI TOWNSHIP SECONDARY SCHOOL

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

KILIFI COUNTY

OFFICE OF THE AUDITOR GENERAL
P.O. BOX 1543, MOMBASA
12 JUL 2024
RECEIVED
KILIFI REGIONAL OFFICE



KILIFI TOWNSHIP SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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



KILIFI TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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I. Acronyms and Glossary of Terms

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

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

2. Key School Information and Management

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

(a) Background information

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

The school was registered in 68/2010 under registration number xxx and is currently categorized as a county school (*National, Extra County, County and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 1031 number of students as at 30th June 2022. It has 5 streams and 42 teachers of which 11 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Salim Bakari Rashid	Bom chair	12/7/2022
2	Charo Ali Katan	Secretary – Principal	12/7/2022
3	Andrew Kalama	Member	12/7/2022
4	Alex Kalama Fondo	Member	12/7/2022
5	Dobson Chiro Mwachunga	P.A chairma /member	12/7/2022
6	Lynette A Shaha	Member	12/7/2022
7	Japhet Mureithi	Member – Rep CEB	12/7/2022
8	Daniel O Obiero	Member Rep Teachers	12/7/2022
9	Dr Anderson Kahindi Rev Onesmus Koi Dora Mitingi Mulewa	3 Members – Sponsor	12/7/2022
10	Athman Matano	Member – Community	12/7/2022
11	Salim Rashid Bakari	Member Special Needs	12/7/2022
12	James Foti	Rep Students	12/7/2022

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

The functions of the School Board of Management are to:

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

KILIFI TOWNSHIP SECONDARY SCHOOL

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(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Salim Rashid Bakari Charo Ali Katana Dobson C Mwahunga Lynette Shaha Saumu Mwadime	Chairman Secretary Member Member Member mber	6
2	Audit Committee	Andrew Kalama Japheth Mureithi Dobson C Mwahunga	Chairman Member member	3
3	Finance, procurement and general purposes Committee	Japheth Mureith Andrew Kalama Lynette Shaha Dobson Chiro	Chairman Member Membe Member	3
4	Academic Committee	Lawrence Chiro Daniel Obiero James Foti Dora Mitingi Mulewa	Chairman Member Student /member member	5
5	Development Committee	Dobson Chiro Charo Ali Katana Salim Bakari Runya Mwalimu	Member Secretary Member chairman	6
6	Discipline and welfare Committee	Athman Matano Dora Mitingi Mulewa Saumu Mwadime Rev Onesmus Koi	Chairman Memebr Member member	3

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Charo Ali Katanca	337158
2	Deputy Principal	John Mrima Mwangala	371851
3	School Bursar	Philipinar Mwaka Deche	N/A
4	Other (specify)		

(e) Schools contacts

Post Office Box: 16
Telephone: 0745137613
E-mail: ktownshipfinance@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

- Name of Bank: Kenya Commercial Bank
Branch: Kilifi
Account Number: 1107271916
1117625141
1102228788
102229113
1101535245
- Equity bank 1060280890438
- Infrastrure account 1257865609

4.MPESA Pay Bill No. 522123/60028k attached to KCB account



KILIFT TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

(g) Independent Auditors

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

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

3. Summary Report of Performance of The School

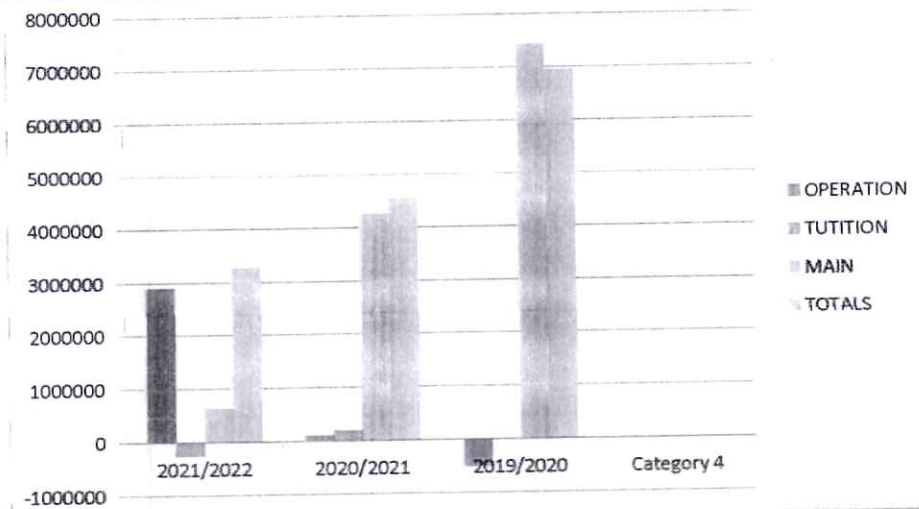
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

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

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

YEAR	OPERATION	TUTITION	MAIN	TOTALS
2021/2022	2904434.31	(258,648.50)	634,723.00	3280508.81
2020/2021	93632.00	193,684.00	4260288.33	4547604.33
2019/2020	(519974.1)	395,79.30	7426276.78	6945878.98

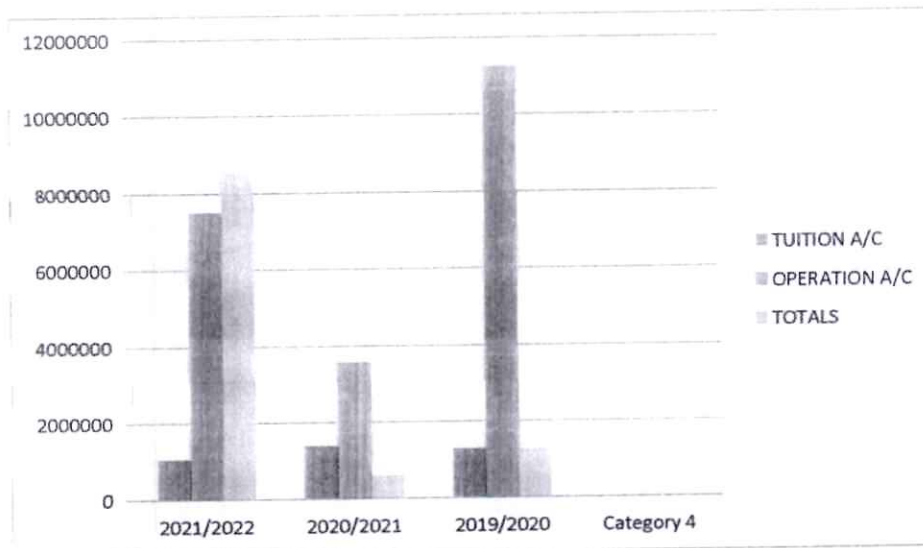


Capitation grants from the Ministry of Education for the last three years

YEAR	TUTION A/C	OPERATION A/C	TOTALS
2021/2022	1053700.50	7499610.40	8553310.90
2020/2021	1371890.00	3574190.00	594608.00
2019/2020	1283145.00	11249778.90	1253923.00

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023



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

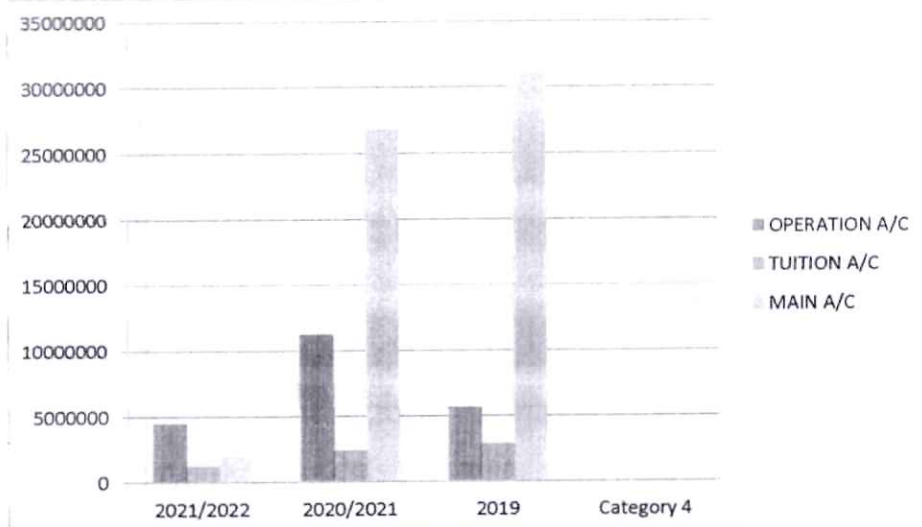
YEAR	BUS
2021/2022	152500.00
2020/2021	71500.00
2019/2020	396500.00

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

YEAR	OPERATION A/C	TUITION A/C	MAIN A/C
2021/2022	4480588.00	1178206.00	1977087.67
2020/2021	11249778.90	2343569.30	26844692.12
2019	5626031.14	2846769.95	31042936.05

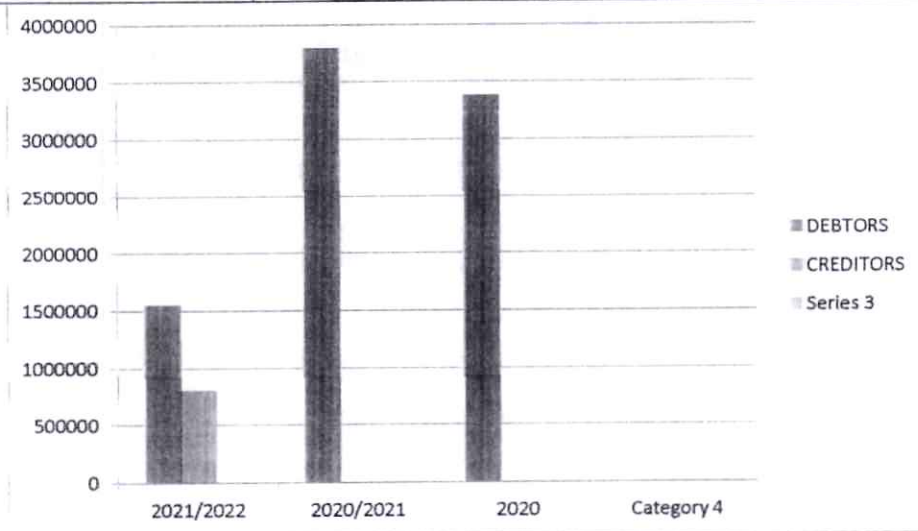
KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023



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

YEAR	DEBTORS	CREDITORS
2021/2022	1550105.00	800000.00
2020/2021	3794788.00	
2020	3384202.00	



Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

b) **Teacher Student ratio:**

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

.of students 1,031

NO. of teachers ;TSC 31

BOM 12

Teachers ratio 1:24

Teachers recruited and posted to the school 2

There is 1 teacher transferred during the year

subject	TSC	BOM	TOTALS
English	4	4	8
Math	9	4	13
Kiswahili	5	3	8
Biology	8	1	9
Chemistry	4	2	6
Physics	4	1	5
History	4	1	5
Geography	4	1	5
Cre	4	1	5
Ire	2	1	3
Agriculture	2	1	3
Business studies	2	1	3
Computer	1	-	1
Home science	1	-	1
Arabic	-	1	1

C) Mean score in the 20XX KCSE:

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

year	Mean score
2021	5.19
2020	5.7
2019	5.4169

c) Number of Candidates in the 20XX KCSE:

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

s/no	year	
	2021	205
	2019	138

d) Capacity of the school:

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

enrolment	No. of classroom Permanent	Toilet/pit		No. of other facility					
		staff	boys	lab	Workshop temporary	kitchen	dorm	Bakery	homescience
1031	22	4	74	3	1	1	7	1	1

KILIFI TOWNSHIP SECONDARY SCHOOL

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Annual Report and Financial Statements For the year ended 30th June 2023

e) Development projects carried out by the school:

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

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
construction of 20 door toilet	MOE	complete	3,314,970.00	3,484,650.00	-
100 locker and 100 chairs ,20 double decker beds	MOE	DONE	1,120,000.00	1,120,000.00	-

PRINCIPAL
KILIFI TOWNSHIP SEC. SCHOOL
P. O. Box 16 80108, KILIFI

School Principal

Date: 11/07/23

Sign: [Signature]

4. Statement of School Management Responsibility

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

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

The Board of Management of (*Name of 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, 20XX, and of the school's financial position as at that date.

Name: BENJAMIN MWEN
Designation: Chairman, School Board of Management
Date: 11/07/2024

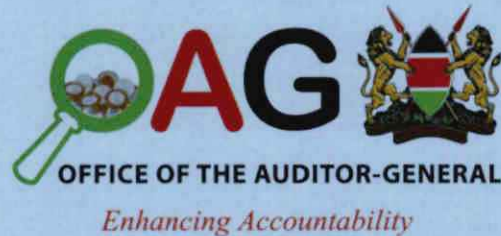
Name: Charles Ali Katar
Designation: School Principal & Secretary to Board of Management
Date: 11/07/2024

PRINCIPAL
KILIFI TOWNSHIP SEC. SCHOOL
P. O. Box 16 - 80108, KILIFI
Date:.....Sign:.....

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

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KILIFI TOWNSHIP SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KILIFI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for 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 of Kenya, 2010, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kilifi Township Secondary School, Kilifi County, set out on pages 1 to 21, which comprise the statement of financial assets and financial liabilities as at 30 June, 2023, statement of receipts and payments, statement of cashflow, statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory

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

information in accordance with the provisions of Article 229 of the Constitution of Kenya, 2010, and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.4,136,876 and as detailed in Note 10 and 11 to the financial statements. However, the bank balances were not supported by bank certificates and bank reconciliation statements. Further, board of survey report to support the cash at hand was not provided for audit.

In the circumstances, the accuracy and completeness of the Kshs.4,136,876 in respect of cash and cash equivalents could not be confirmed.

2. Inaccuracies in Capitation Grants Balances

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.3,335,431 and Kshs.9,474,150 as disclosed in Notes 1 and 2 to the financial statements. Review of the National Education Management Information System (NEMIS) capitation disbursements made to the School in January 2023 against the amount received by the School revealed an amount of Kshs.3,244,119 whereas the NEMIS capitation reflects an amount of Kshs.3,348,619, resulting to an unexplained variance of Kshs.104,500.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.3,335,431 and Kshs.9,474,150 could not be confirmed.

3. Failure to Disclose Other Receipts

The statement of receipts and payments reflects Kshs.8,832,077 in respect of other receipts, as disclosed in Note 4 to the financial statements. However, the amount excludes revenue from school bakery, which the school operated.

In the circumstance, the accuracy and completeness of other receipts in the statement of receipts and payments could not be confirmed.

4. Unsupported Payments

The statement of receipts and payments reflects total payments in relation to tuition, operations, boarding and school fund amounting to Kshs.80,439,256 as detailed in Note 6,7,8 and 9 to the financial statements. However, examination of payment vouchers amounting to Kshs.7,346,753 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the tuition, operations, boarding and school fund amounting to Kshs.80,439,256 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.63,675,500.00 and Kshs.69,543,301 respectively, resulting to an over-funding of Kshs.5,867,801 or 9% of the budget. However, the School spent a balance of Kshs.80,431,807 against actual receipts of Kshs.69,543,301 resulting to an over-expenditure of Kshs.10,888,506 or 16% of actual receipts. The source of the excess funds used was not explained.

The over-funding may be due to incorrect budgeting model.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution of Kenya, 2010, based on the procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 13 May 2024, instead of the statutory deadline of 30 September 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, 2023 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Irregular transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amounting to Kshs.58,475,791 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs. 686,800 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in the 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.686,800 could not be confirmed.

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

The statement of receipts and payments reflects total payments amounting to Kshs.80,439,256 as disclosed in Note 6,7,8 and 9. The audit noted that the school used cash totaling Kshs. 1,220,860 to purchase goods and services instead of procuring using other suitable methods contrary to the procedure for low value procurement provided under schedule 2 of the Public Procurement Regulations, 2020.

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

4. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.9,474,150 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.4,237,000 in respect of infrastructure grants which was to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.4,236,000 was transferred to infrastructure account, leaving a balance of Kshs.1,000 as at 30 June, 2023.

In the circumstances, Management did not adhere to the prescribed laws governing infrastructure funds.

5. Lack of Approved Budget and Procurement Plans

The statement of receipts and payments reflects an amount of Kshs.84,125,141 and Kshs.80,439,256 in respect of total receipts and total payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which 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.

6. Non-Adherence to Procurement Laws

Kilifi Township Secondary School procured 100 lockers and 20 double decker beds at the cost of Kshs.1,100,000 during the period ended 30 June, 2023. The audit however noted that project commenced without corresponding budget, an approved procurement plan as per the Public Procurement and Asset Disposal Act 2015 which requires an accounting officer to prepare an annual procurement plan which shall be based on indicative or approved budgets.

The audit also noted that the school made procurements worth Kshs.7,346,753 without proper requisitions as per Regulation 71 of the Public Procurement and Asset Disposal Regulations, 2020 which states that the head of the user department shall initiate the procurement process through a requisition.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of a Functional Audit Committee

During the year under review, the school had an audit committee comprising of 3 people. However, there were no minutes of the audit committee. The School did not comply as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

2. Lack of Human Resource Policy, Risk Management Policy and a Disaster Recovery Plan.

The school did not have their own Human resource policies and procedures to guide hiring and retention, of BOM teachers and non-teaching staff.

It was also noted that the school also did not have a risk management policy and disaster recovery plan.

In the circumstances, the effectiveness of the internal controls of the school could not be confirmed.

3. Weakness in Information Technology Controls and Governance.

The school management had deployed an accounting system known as School Accounting System (SCHACCS). However, the management did not provide any procurement documents, contracts, modules to implement and deliverables to ascertain the terms and references of the system. Further it was noted that the school had no information technology strategic plan and had no information technology implementation committee in place.

In the circumstance, the accuracy of the output data produced by the system that was used to prepare the financial statements could not be confirmed.

4. Lack of Fixed Assets Register and Assets Ownership Documents

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

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

5. 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). The Statement of budgeted versus actual did not have totals as provide for in the template. Further, some figures had decimal points as opposed to 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 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the school's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the 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 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 of Kenya, 2010. 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 of Kenya, 2010 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya, 2010.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya, 2010. 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 Corporation's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the school to cease to sustain its services.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Corporation to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gatironga, CBS
AUDITOR-GENERAL

Nairobi

20 September, 2024


KILIFI TOWNSHIP SECONDARY SCHOOL


Annual Report and Financial Statements For the year ended 30th June 2023

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

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,335,431.25	3,198,215.00
Government grants for operations	2	9474150.01	13,670,232.05
Government Grants for infrastructure	3	4,236,000.00	
School fund income- parents' contributions	4	58,247,483.00	51,188,585.00
Miscellaneous incomes	5	8,832,077.00	6,273,542.00
Total Receipts		84,125,141.26	74,330,573.00
Payments			
Tuition	6	4,912,660.00	4,433,626.00
Operations	7	13,567,154.99	15,477,984.80
Infrastructure	8	3,484,650.00	
Boarding and school fund	9	58,475,790.77	54,866,602.00
Total Payments		80,439,255.76	74,788,112.80
Surplus/Deficit		3,685,885.50	(447,539.75)

The school financial statements were approved on _____ 20XX and signed by:


 Name: Benjamin Mwangi
 Chair BOM


 Name: Chris J. J. Mwangi
 School Principal/ Secretary to BOM


 Name: Philipina D. D. D.
 Bursar/ Finance Officer

Date: 11/07/2024

Date: 11/07/2024

Date: 11/7/2024

(Comparative FY refers to the financial year preceding the current financial year.)

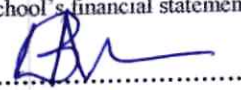
KILIFI TOWNSHIP SECONDARY SCHOOL

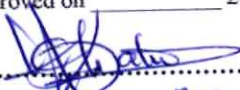
Annual Report and Financial Statements For the year ended 30th June 2023


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

Description	Note	2022-2023	2021-21022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	4,074,101.60	6,342,200.85
Cash balances	11	62,774.00	28881.50
Short term investments	12	-	-
Total cash and cash equivalent		4,136,875.60	6,345,082.35
Account's receivables	13	62,029,788.12	51,873,354.12
Total financial assets		66,166,663.72	58,218,436.47
Financial liabilities			
Accounts payables	14	7,794,576.00	3,979,774.00
Net financial assets		58,372,087.72	54,239,662.47
Represented by			
Accumulated fund b/fwd	15	54,686,202.22	54,686,202.22
Surplus/deficit for the year		3,685,885.50	(447539.75)
Net financial position		58,372,087.72	54,238,662.47

The school's financial statements were approved on _____ 20XX and signed by:


Name: BENJAMIN MWANGI


Name: Charo AK
School Principal/ Secretary to BOM


Name: PHILIPINAZ DECHE

Chair BOM
Date: 11/07/2024

BOM
Date: 11/07/2024

Bursar/ Finance Officer
Date: 11/7/2024

(Comparative FY refers to the financial year preceding the current Financial year.)

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

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

Description	Note	2022-2023	2022-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		3,335,431.25	3,198,215.00
Government grants for operations		1,146,105.01	1,924,372.05
Government grants for infrastructure			-
School fund income- parents contributions/ fees		56,703,926.00	48,163,609.00
Other income			
Total receipts		77,985,507.26	57,635,365.00
Payments			
Cash outflows for tuition		3,373,535.30	3,485,604.00
Cash outflows for operations		15,561,794.99	7,329,253.80
Cash outflows Boarding/lunch and school fund payments		57,773,679.72	41,626,779
Total payments		76,709,010.01	52,441,636.00
Net cash inflow/outflow from operating activities		1,276,497.25	5,193,529.00
Cash flow from investing activities			
Acquisition of assets		(3,484,650.00)	(7,751,691.00)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		(3,484,650.00)	(7,751,691.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(2,208,152.75)	(2,558,62.10)
Cash and cash equivalent at beginning of the FY		6,345,028.35)	8,902,224.10
Cash and cash equivalent at end of the FY		4,136,875.60)	6,345,082.35

The school's financial statements were approved on _____ 20XX and signed by:

Name: BENJAMIN MURRAY

Name: CHARO A.W.
School Principal/ Secretary to BOM

Name: PHILIPINE DECATO

Chair BOM

Bursar/ Finance Officer

Date: 11/07/2024

Date: 11/07/2024

Date: 11/14/2024

KILIFT TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

(Comparative FY refers to the financial year preceding the current Financial year.)

KILIFI TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Textbooks And Reference Materials	-	-	-	-	-
Exercise Books	1,621,550.00	-	-	0.00	
Laboratory Equipment	675,740.00	-	-	-	
Internal Exams	410,755.50	-	-	-	
Teaching / Learning Materials	164,980.00	-	164,980.00	3,335,431.25	2021.7
Chalks	67,235.50	-	-	-	
Exams And Assessment	-	-	-	-	
Teachers Guides	-	-	-	-	
Totals				3,335,431.25	
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	6,370,940.00	-	6,370,940.00	6,09,637.81	9.56
Repairs And Maintenance	5,650,000.00	--	5,650,000.00	4,236,000.00	74.9
Local Transport / Travelling	1,417,020.00	-	1,417,020.00		0.0
Electricity And Water	1,417,020.00	-	1,417,020.00	1,145,844.07	80.86
Medical	2,260,000.00	-	2,260,000.00	207,600.00	9.18
Administration Costs	1,417,020.00	-	1,417,020.00	1,145,844.02	80.86
Activity	1,695,000.00	-	1,695,000.00	606,462.00	35.77
Smasse	226,000.00	-	226,000.00	-	-
Totals	20,453,000.00		20,453,000.00	13,710,159.01	-

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	-	-	-	-	-
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
(4) Fees Charged on Parents					
Personnel Emoluments	5,077,090.00	-	5,077,090.00	7,241,150.00	142.6
Repairs And Maintenance	1,953,770.00	-	1,953,770.00	2,823,000.00	144.4
Local Transport / Travelling	2,895,060.00	-	2,895,060.00	4,276,344.00	147.7
Electricity And Water	1,824,950.00	-	1,824,950.00	2,656,983.00	145.6
Medical	-	-	-	129,861.00	0.00
Administration Costs	4,581,020.00	-	4,581,020.00	4,194,799.00	91.7
Activity	1,934,560.00	-	1,934,560.00	491,382.00	25.4
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	24,791,070.00	-	24,791,070.00	36,442,963.00	147.0
5) Miscellaneous Income					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-

KILIFI TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget		Adjustments		Final Budget		Actual On Comparable Basis		% Of Utilization	
	A	Kshs	B	Kshs	C=A+B	Kshs	D	Kshs	(C-D)/C %	Kshs
Income From Posho Mill	-		-		-		-		-	
Income From Bus Hire	-		-		-		-		-	
Fee For Hire of Ground and Equipment	-		-		-		-		-	
Interest Income	-		-		-		-		-	
Income From Any Other Investment	-		-		-		-		-	
Total Income	-		-		-		-		-	
(6) Expenditure For Tuition										
Textbooks	-		-		-		-		-	
Reference Materials	-		-		-		-		-	
Exercise Books	469,840.00		-		469,840.00		2,656,995.00		555.5	
Laboratory Equipment	1,651,586.00		-		1,651,586.00		954,833.00		57.81	
Internal Exams	-		-		-		12,078.00		0.00	
Teaching / Learning Materials	911,000.00		-		911,000.00		1,280,306.00		140.53	
Chalks	3,600.00		-		3,600.00		-		-	
Exams And Assessment	-		-		-		-		-	
Teachers Guides	-		-		-		-		-	
Administration Costs	-		-		-		-		-	
Bank Charges	-		-		-		-		-	
(7) Expenditure For Operations										
Personnel Emoluments	6,305,650.00		-		6,305,650.00		8,418,461.00		133.5	
Repairs, Maintenance & Improvements	4,634,620.00		-		4,634,620.00		718,777.00		15.50	

KILIFI TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Local Transport / Travelling	1,260,263.00	-	1,260,263.00	109,500.00	8.68
Electricity, Water and Conservancy	1,121,032.00	-	1,121,032.00	31400.00	2.80
Medical	-	-	-	500	0.00
Administration Costs	1,048,706.00	-	1,048,706.00	3,559,796.00	339.4
Activity Expenses	2,378,543.00	-	2,378,543.00	728,720.00	30.63
Gratuities	-	-	-	-	-
SMASSE	-	-	-	-	-
(8) Expenditure For Infrastructure					
Construction of classrooms					
Construction of LAB					
Construction of toilet	4920,000.00		4,920,000.00	3,484,650.00	70.82
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/launch/borrowing					
Personnel Emoluments	4,954,439.00	-	4,954,439.00	2947133.00	
Repairs, Maintenance and Improvements	1628380.00	-	4,64300.00	1368087.00	
Local Transport / Travelling	2558716.00	-	3,818,980.00	1727500.00	
Electricity, Water and Conservancy	1,426,768.00	-	1426768.00	1405883.00	98.5

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Medical Expenses					
Administration Costs	1640283.90	-	1640283.90	5302772.80	323.2
Activity	324,346.00	-	324346.00	3,382,839.00	1042.00
Gratuity					
Lunch Programme					
Boarding Equipment and Stores	29414,828.00	-	29,414,828.00	32,299,673.97	109.80
Expenditure For Income Generating Activity					
Insbursary urance				8565177.00	0.0
Bus maintance				448445.00	0.0
Academic improvement				959690.0	0.0
medical				68590.00	0.0
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals					

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

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. **Accounts Receivable**

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

6. **Accounts Payable**

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

7. **Non-current assets**

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

8. **Budget**

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

9. **Comparative figures**

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

10. **Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 20XX.

11. Notes To The Financial Statements**1 Government Grants for Tuition**

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference materials	-	65,000.00
Exercise books	-	3,133,215.00
Laboratory Equipment's		
Teaching/learning materials	3,335,431.25	-
SCHOOL FUND	-	
Total	3,335,431.25	3,198,215.00

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	6,309,637.81	6,144,456.16
Repairs and maintenance	0.00	4,521,702.92
Local transport / travelling	-	363,75.68
Electricity and water	1,145,844.07	1,244,912.02
Medical	207,600.00	-
Administration costs	1,145,844.03	1,244,917.02
Special Needs	58,761.60	150,518.25
Activity	606,462.50	
ABOGE		600.00
Total	9,474,150.01	13,670,232.05

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	4,236,000.00	
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NGCDF and County govt.		
Total	4,236,000.00	

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	7,241,150.00	6,371,365.00
Repairs and maintenance	2,823,001.00	2,588,682.00
Local transport / travelling	4,267,344.00	3,485,971.00
Electricity and water	2,656,983.00	2,198,020.00
Medical	129,861.00	
Administration costs	4,194,799.00	3,449,213.00
Activity	491,382.00	313,730.00
Fee on Boarding Equipment and Stores	36,442,963.00	32,781,604.00
Total	58,247,483.00	51,188,585.00

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Tender		3,000.00
Bursary	8,569,177.00	6,179,041.00
EXAM PRVT CANDI	39000.00	4,500.00
Academic improvement	1,900.00	-
Bus maintenance	222,000.00	90,000.00
Total	8,832,077.00	6,273,541.00

Notes to the Financial Statements (continued)

6 Tuition

Description	2022--2023	2021-2022
	Kshs	Kshs
Exercise Books	2,656,995.00	1,237,600.00
Textbooks	-	36,736.00
Reference materials	-	59,694.00
Laboratory Equipment	954,833.00	1,708,646.00
Teaching / Learning Materials	1,280,306.00	691,820.00
Internal exam	12,078.00	695,322.00
Exams And Assessment	-	
Teachers Guides	-	
Bank Charges	8,448.00	3,708.00
Others (<i>specify</i>)		
Total	4,912,660.00	4,433,526.00

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	8,418,461.00	4,004,492.00
Administration Cost	3,559,796.99	2,723,937.80
Repairs And Maintenance & Improvements	718,777.00	474,205.00
Local Transport / Travelling	109,500.00	81,600.00
Electricity And Water	31,400.00	257,349.00
Medical expenses	500.00	
Activity expenses	728,720.00	184,710.00
Acquisition of assets		7,751,691.00
Total	13,567,154.99	15,477,984.80

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	n	b	c=a+b	d	e=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Textbooks And Reference Materials	-	-	-	-	-
Exercise Books	1,621,550.00	-	-	0.00	
Laboratory Equipment	675,740.00	-	-	-	
Internal Exams	410,755.50	-	-	-	
Teaching / Learning Materials	164,980.00	-	164,980.00	3,335,431.25	2021.7
Chalks	67,235.50	-	-	-	
Exams And Assessment	-	-	-	-	
Teachers Guides	-	-	-	-	
Totals				3,335,431.25	
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	6,370,940.00	-	6,370,940.00	6,09,637.81	9.56
Repairs And Maintenance	5,650,000.00	--	5,650,000.00	4,236,000.00	74.9
Local Transport / Travelling	1,417,020.00	-	1,417,020.00		0.0
Electricity And Water	1,417,020.00	-	1,417,020.00	1,145,844.07	80.86
Medical	2,260,000.00	-	2,260,000.00	207,600.00	9.18
Administration Costs	1,417,020.00	-	1,417,020.00	1,145,844.02	80.86
Activity	1,695,000.00	-	1,695,000.00	606,462.00	35.77
Smasse	226,000.00	-	226,000.00	-	-
Totals	20,453,000.00		20,453,000.00	13,710,159.01	-

KILIFT TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms		-
Construction of laboratory		-
Construction of TOILET	2,364,650.00	-
Purchase of furniture	1,120,000.00	-
Purchase of equipment		-
Purchase of apparatus		-
Drilling of boreholes		-
Others (specify)		-
Total	3,484,650.00	-

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	2,947,133.00	5,576,065.00
ACADEMIC IMPROVEMENT	959,690.00	578,080.00
Repairs and maintenance & Improvements	1,368,087.00	2,702,500.00
Local transport / travelling	1,727,500.00	605,460.00
Electricity and water	1,405,883.00	1,748,996.00
Medical Expenses	68,590.00	23,814.00
Administration costs	5,302,772.80	6,979,625.50
BUS MAINTAINCE	448,445.00	96,840.00
Fee on Boarding Equipment and Stores	32,295,673.97	28,921,540.50
BUS INSURANCE	-	-
BURSARY	8,569,177.00	6,179,041.00
Activity Expenses	3,382,839.00	1,454,640.00
TOTAL	58,475,790.77	54,866,602.00

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023	Insert Comparativ
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1102227888	83,998.30	(53,447.95)
Operations Account	active	1102229133	(447,379.09)	556,419.86
School Fund Account/Boarding	active	1107271916	164,775.80	929,867.95
Salary Savings Account	active	1101535245	3,063,818.30	3,063,818.30
PTA/Esp/Bus/Caution	dormant		94,569.29	39,995.69
Equity	active	106080890438	929,506.00	1,265,838.00
Infrastructural Account	active	1257865609	1,291,059.00	539,709.00
Total			4,074,101.60	6,342,200.85

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	62,774.00	2,881.50
Total	62,774.00	2,881.50

12 Short Term Investments

Description	2022-2023	2021-2023
	Kshs	Kshs
Cooperative Shares		-
Treasury Bills		-
Fixed Deposit accounts		-
Other Investments		-
Total		-

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	62,029,788.12	51,873,354.12
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		-
Imprest (list/schedule attached)		-
Boarding		
Total	62,029,788.12	51,873,354.12

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	2020	% of the total
Less than 1 year	14,422,736.00	%	5250105.00	-
Between 1- 2 years	5,520,105.00	%	3,794,788.00	-
Between 2-3 years	3,794,788.00	%	952209.00	-
Over 3 years	38,562,159.12	%	3876252.12	-
Total (should tie to note 13 a)	62,029,788.12	%	51,873,354.12	-

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	5,867,527.00	1,747,922.00
Prepaid Fees	2,107,049.00	2,231,852.00
Other payables (specify)	-	
Total	7,974,576.00	3,979,774.00

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	5,867,527.00	%	1,747,922.00	-
Between 1- 2 years		%	-	-
Between 2-3 years		%	-	-
Over 3 years		%	-	-
Total (should tie to note 14)	5,867,527.00	%	1,747,922.00	-

15 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	6,392,773.50	9,905,606.10
Cash Balances	2,872.00	13,992.00
Short Term Investments		-
Receivables	51,873,354.12	48,746,378.12
Payables	(1,747,922.00)	3,970,774.00
Total	56,521,077.62	54,686,202.22

KILIFT TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2020-2021	2020
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2020-2021	2020
		Kshs	Kshs
Cattle	9-7	252,000.00	19,6000.00
Goats	10-11	45,000.00	49,500.00
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		-	-

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

19 Stock/ Inventory

Description	2020-2021	2020
	Kshs	Kshs
Food stuffs	-	
Lab consumables	-	
Farm produce	-	
Medication	-	
Construction Materials	-	
Others (specify)	-	
	-	

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

KILIFI TOWNSHIP SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

20 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)

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

Sign and Date
Principal

Date: 11/07/23

Sign:

KILIFI TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						

Comment [PA1]: Include pre- paid fes like you have done for 2021

KILIFI TOWNSHIP SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 20XX
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				

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

SECRET