

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
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REPORT 03 DEC 2024

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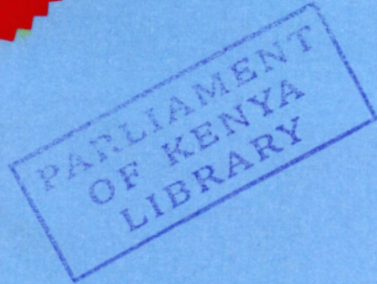
Tuesday

TABLED
BY:

Hon. Kimani Ichung'wah
(Leader of the Majority Party)

CLERK AT
TABLE:

Kingstacia



THE AUDITOR-GENERAL

ON

MBITA HIGH SCHOOL

**FOR SIX MONTHS PERIOD ENDED
30 JUNE, 2021**

HOMA BAY COUNTY

14 JUN 2024



MBITA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE SIX (6) MONTHS ENDED
30th June 2021

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

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MBITA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Six Months 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 Homa Bay County, Mbita Sub-County

The school was registered in 1969 under registration number 43S130000107 and is currently categorized as a National Public School established, owned or operated by the Government.

The school is a boarding school and had 1496 number of students as at 30th June 2021 It has 30 streams and 64 teachers of which 24 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	DR. PATRICK SAWA	CHAIRMAN	19TH AUGUST, 2019
2	MR. JARRED OMONDE KISERA	REP. PARENTS	19TH AUGUST, 2019
3	PROF. ENOSE SIMATWA	REP. PARENTS	19TH AUGUST, 2019
4	MRS. SABINA OTIENO	REP. PARENTS	19TH AUGUST, 2019
5	ENG. HENRY ADONGO NDUGAH	REP. PARENTS	19TH AUGUST, 2019
6	DR. ROSE OPONDO	REP. PARENTS	19TH AUGUST, 2019
7	MS. FENI KWAMBOKA MAGATA	REP. PARENTS	19TH AUGUST, 2019
8	CPA MAREMBO JOSEPH OOKO	REP. CEB	19TH AUGUST, 2019
9	MS. ANN AVANDI MUKITI	REP. TEACHERS	19TH AUGUST, 2019
10	ENG. PHELIX OSONGO	REP. SPONSOR	19TH AUGUST, 2019
11	ENG. DORIS OMBARA	REP. SPONSOR	19TH AUGUST, 2019
12	MR. OCHIENG FRANCKLINE KENYA	REP. SPECIAL INTEREST	19TH AUGUST, 2019
13	MR. EDWIN MARERA OCHANDA	REP. SPECIAL NEEDS	19TH AUGUST, 2019
14	MASTER EDWIN ODHIAMBO OCHIENG	STUDENT COUNCIL	19TH AUGUST, 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. DR. PATRICK SAWA 2. MR. KENNEDY OIJO 3. ENG. HENRY ADONGO NDUGAH 4. DR. ROSE OPONDO 5. MRS. SABINA OTIENO	CHAIRMAN SECRETARY MEMBER PA CHAIR MEMBER	
2	Audit Committee	1. ENG. HENRY A. NDUGAH 2. MS. MATHEW OKELLO ONDIEKI 3. MS. FENI KWAMBOKA 4. MR. FRANCKLINE KENYA	CHAIRMAN MEMBER SECRETARY MEMBER	3
3	Finance, procurement and	1. CPA	CHAIRMAN	3

**MBITA HIGH SCHOOL
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	general purposes Committee	<p>JOSEPH MAREMBO</p> <p>2. DR. ROSE OPONDO</p> <p>3. MR. EDWIN MARERA OCHANDA</p> <p>4. ENG. PHELIX OSONGO</p>	<p>MEMBER</p> <p>MEMBER</p> <p>MEMBER</p>	
4	Academic Committee	<p>1. PROF. ENOSE SIMATWA</p> <p>2. DR. ROSE OPONDO</p> <p>3. MS. FENI KWAMBOKA</p>	CHAIRPERSON	5
5	Development Committee	<p>1. MRS. SABINA OTIENO</p> <p>2. DR. PATRICK SAWA</p> <p>3. DR. ROSE OPONDO</p> <p>4. MR. OTIENO NATHANIEL</p> <p>5. MR. KENNEDY OJJO</p>	<p>CHAIRPERSON</p> <p>MEMBER</p> <p>MEMBER</p> <p>SECRETARY</p> <p>MEMBER</p>	3
6	Discipline and welfare Committee	<p>1. MRS. SABINA OTIENO</p> <p>2. MR. EDWIN MARERA OCHANDA</p> <p>3. MR. JARRED O. KISERA</p> <p>4. DR. PATRICK SAWA</p>	<p>CHAIRPERSON</p> <p>MEMBER</p> <p>MEMBER</p> <p>MEMBER</p>	3
7	Human Rights and Students Welfare	<p>1. MR. JARRED OMONDE KISERA</p> <p>2. MR. JOSEPH OOKO AJWANG</p> <p>3. ENG. DORIS OMBARA</p>	<p>CHAIRMAN</p> <p>MEMBER</p> <p>MEMBER</p>	
8	Adhoc Committee (if any during the year)	N/A		

**MBITA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MR. KENNEDY OJIJO	349223
2	Deputy Principal	MR. OTIENO NATHANIEL	450500
3	School Bursar	MR. NASSUR OKECH	N/A

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 81-40305, MBITA
Telephone: 0700448644
E-mail: mbitahigh@gmail.com
Website: www.mbitahigh.ac.ke
Facebook:
Twitter:

(f) School Bankers

The following school operated 6 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01129047218400
2. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01139047218400
3. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01139047218401
4. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01139047218402
5. Name of Bank: KCB
Branch: Mbita
Account Number: 1154826813
6. Name of Bank: Equity
Branch: Mbita
Account Number: 0760268497276

MBITA HIGH SCHOOL
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For the Six Months ended 30th June 2021

(g) Independent Auditors
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

MBITA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Six Months ended 30th June 2021

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:

	TUITION			OPERATION			SCHOOL FUND		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
INCOME	4,455,416	2,528,383	1,731,087	20,933,196	17,561,460	11,609,728	69,344,053	45,610,030	50,367,055
EXPENDITURE	4,420,736	3,903,262	1,731,860	23,660,899	19,921,717	7,297,208	65,344,053	42,788,898	57,058,523
SURPLUS/(DEFICIT)	34,680	(1,374,879)	(773)	(2,727,703)	(2,360,257)	4,312,520	4,000,000	2,821,131	(6,691,468)
CREDITORS	1,500,000	2,860,912		1,925,000			7,199,665	13,132,865	23,139,354
DEBTORS							12,178,516	8,888,058	18,235,116
CASH & BANK BALANCES	17,504	3,537	2,764	10,134	80,678	23,983	1,855,187	2,265,673	1,104,804

	TUITION			OPERATION		
	ENROL	CAPITATION	AMOUNT	ENROL	CAPITATION	AMOUNT
2019	1224	3,640.29	4,455,416.60	1324	15,809.47	20,933,196.50
2020	1366	1,851	2,528,383	1507	11,650.00	17,561,460
2021	1143	1,302	1,488,797	1352	8,165.55	11,046,728
TOTAL			8,472,596.60			49,541,384.50

b) Teacher Student ratio:

c) Mean score in the 2018-2020 KCSE:

YEAR	MEAN SCORE	MEAN GRADE
2020	8.9747	B
2019	8.4309	B-
2018	7.4052	C+

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d) Number of Candidates in the 2018 - 2020 KCSE:

YEAR	NUMBER OF CANDIDATES
2020	356
2019	369
2018	269

e) Capacity of the school:

YEAR	ENROLMENT	LABS	DORMS	CLASSES	D/HALL	TOILETS
2021	1496	120	1400	1350	1000	1200
2020	1366	120	1200	1000	1000	800
2019	1236	120	1200	900	1000	800

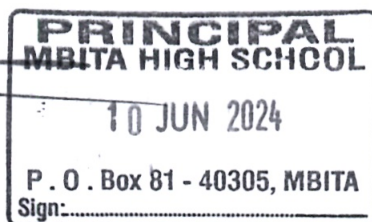
f) Development projects carried out by the school:

Year	Project	Source of funding	Estimated cost	actual	Status
2021	Pit-Latrine	MOE/Parents	474,920	474,920	Complete and in use

Sign

School Principal

15/6/24



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 *Mbita High 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, 2021, and of the school's financial position as at that date.

Name: JARED KISEBA
Designation: Chairman, School Board of Management

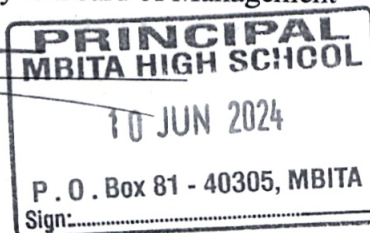
Sign: 

Date: 10/6/2024

Name: KENNEDY QUNO
Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 10/6/24



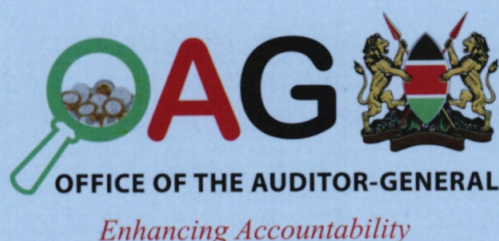
Name: Nassur Okech
Designation: Bursar/ Finance Officer

Sign: 

Date: 10/06/2024

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 MBITA HIGH SCHOOL FOR THE SIX MONTHS PERIOD ENDED 30 JUNE, 2021 – HOMA BAY 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 Audit Act, 2015 and Public Finance Management Act, 2012. 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 Mbita High School – Homa Bay County set out on pages 1 to 19, which comprise of the statement of assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows

and the statement of budgeted versus actual amounts for the period then ended, and a summary of significant accounting policies and other explanatory information in accordance with 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 Mbita High School – Homa Bay County as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with 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. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following unsatisfactory matters.

- (i) The balances reflected in the statement of receipts and payments differs with corresponding balances reflected in the statement of cash flow as shown below.

Component	Statement of Receipts & Payments Balance Kshs.	Statement of Cash Flows Balance Kshs.	Variance
School Fund Income - Parents Contributions	47,729,545	41,289,723	6,439,822
Payments for Operations	4,453,598	6,608,472	(2,154,874)
Payments for Boarding & School Fund	56,725,524	46,482,057	10,243,467

- (ii) Further, the statement of receipts and payments reflects school fund income – parents’ contributions balance of Kshs.47,729,545. However, Note 3 to the financial statements discloses a balance of Kshs.45,216,944 resulting to unexplained variance of Kshs.2,512,601.
- (iii) In addition, the statement of cash flows reflects cash flow from investing activities on acquisition of assets of Kshs.474,920. However, Annex 2 to the financial statements on summary of fixed assets register reflects nil additional assets during the year.

- (iv) The statement of budgeted versus actual amounts also did not reflect the total balance on receipts and payments on original amounts, final budget and actual on comparable basis as required in the Public Sector Accounting Standards.

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

2. Inaccuracies in Government Grants for Operations

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects government grants for operations balance of Kshs.11,046,728. However, the balances in the financial statements differs with the balances reflected in the ledger as shown in the table below:

Component	Amount as per Financial Statements (Kshs)	Ledger (Kshs)	Variance (Kshs)
Repairs and Maintenance	4,850,250	4,486,995	363,255
Other Vote Heads	5,857,043	3,989,003	1,868,040

In the circumstances, accuracy and completeness of government grants for operations could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities and as disclosed in Note 8 to the financial statements reflects cash and cash equivalents balance of Kshs.1,134,020. However, Management did not prepare and maintain monthly bank reconciliation statements for the tuition, operations, school fund and infrastructure bank accounts.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance could not be confirmed.

4. Unsupported and Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed Note 11 to the financial statements reflects accounts receivables balance of Kshs.73,695,650. The accounts receivables balance was in respect of fees arrears, surrendered imprests and salary advances of Kshs.73,583,650, Kshs.10,000 and Kshs.102,000, respectively. However, the accounts receivables were not supported by ledger and debtors' schedule showing the opening balances, receivables for the year, amount received during the year and the outstanding balances at the end of the year.

Further, the analysis provided for audit in relation to the fees arrears showed a balance of Kshs.63,427,788 resulting to unexplained variance of Kshs.10,155,862. The

receivables balance in respect of fees arrears amounting to Kshs.55,348,534 or 75% of the account receivables was outstanding for a period of over one (1) year.

In addition, Note 11 to the financial statements reflects accounts receivable balance of Kshs.73,695,650. However, the schedule on ageing of accounts receivables reflects a balance of Kshs.73,583,650 resulting to unexplained variance of Kshs.112,000.

In the circumstances, the accuracy and completeness of the account's receivables balance could not be confirmed.

5. Unsupported Accounts Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts payables balance of Kshs.26,855,394 in respect of trade creditors, prepaid fees and retention monies/fees refund. Included in the accounts payable was trade creditors balances of Kshs.23,139,354 as disclosed in Note 12 which was not supported by the creditors ledger, invoices, delivery notes, local purchase orders (LPO) and inspection and acceptance reports.

Further, Note 12 to the financial statements reflects prepaid fees and retention monies/fees refund of Kshs.3,695,940 and Kshs.20,100, respectively. However, details of students who had prepaid fees and to whom the fees refunds were due were not provided for audit.

In addition, Note 12 to the financial statements reflects accounts payables balance of Kshs.26,855,394. However, Note 12 to the financial statements on schedule on ageing of accounts payables reflects a balance of Kshs.23,139,354 resulting to unexplained variance of Kshs.3,716,040.

In the circumstances, the accuracy and completeness of the accounts payables balance could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional 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 effect of 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

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2021. The financial statements were submitted on 20 May, 2024 which was thirty - two (32) months after the statutory deadline. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate. Late submission of financial report adversely affects the Office of the Auditor-General in meeting the statutory timelines.

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

2. Non-Compliance with the Public Sector Accounting Standards Board

Review of the financial statements revealed that Annex 1 to the financial statements on analysis of pending accounts payables did not show details on the original amount, date contracted, amount paid to date, outstanding balance for current year and outstanding balance comparative for the year as prescribed in the Public Sector Accounting Standards Board (PSASB) reporting template.

Further, Annex 2 to the financial statements on summary of fixed assets register did not indicate details on dates assets were purchased, historical cost brought forward, additions and disposals during the year and historical cost carried forward as required by the PSASB reporting template.

In the circumstances, Management did not comply with the PSASB reporting template requirements.

3. Failure to Transfer Funds from Operations Account to Infrastructure Account

During the year under review, the School received operations capitation grants of Kshs.11,046,728 out of which, Kshs.4,850,250 was to be transferred to the infrastructure account. However, only an amount of Kshs.500,000 was transferred resulting to under transfer of Kshs.4,350,250. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as

maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministerial set guidelines.

4. Lack of an Approved Procurement Plan

Management did provide an approved Annual Procurement Plan contrary to Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that an Accounting Officer shall prepare an Annual Procurement Plan which is realistic in a format set out in the Regulations within the approved budget prior to commencement of each financial year as part of the annual budget preparation process.

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

5. Failure to Prepare School Improvement Plan

During the year under review, Management did not prepare a School Improvement Plan to be used to measure the School's improvement activities, keep the School in focus in achieving the school target, prioritization of School needs, ensuring prudent utilization of resources and to improve accountability. This was contrary to Section 2.2.1 of the Operational Manual for Utilization of Learner Capitation, Grant and Other School Funds which requires a school to develop improvement plan which is a road map for changes that a school needs to improve the school environment and learning outcomes.

In the circumstances, Management was in breach of the Operational Manual.

6. Failure to Reconcile Student Enrollment Data

Review of student's records provided for audit revealed unexplained variance in student numbers between National Education Management Information System and School registers resulting to tuition fees under - disbursement on both capitation grants for tuition and operation fees of Kshs.1,745,469 as analyzed below:

Month	No.of Students as Per NEMIS	No.of Students as Per Register	Capitation Grant Per Student	Total Expected Capitation as Per Register (Kshs)	Actual Capitation Received (Kshs)	Capitation Not Received (Kshs)
Jan. 2021	1,282	1,491	3,743	5,580,142	4,797,949	782,193
Feb.2021	1,282	1,491	3,971	5,921,134	5,091,143	829,991
Apr. 2021	1,453	1,491	3,508	5,229,683	5,096,398	133,285
Total						1,745,469

Management explained that the difference was due to failure by the School to fully register all students on National Education Management Information System Management (NEMIS) because some learners lacked birth certificates, others had duplicate birth certificates and some students had attained the age of 18 years and were automatically removed from the system. This was contrary to the Ministry of Education Circular No. MOE.HQ/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners to be registered in National Education Management Information System and the Principals to ensure their records are accurate.

In the circumstances, Management was in breach of the circular and the underfunding of the School may have affected service delivery to the students.

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 effect of 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 Ownership Documents

Review of asset records revealed that the School did not have land ownership documents for the two parcels of land allotted by the County Government. Further, log book for one of the School's motor vehicle was not provided for audit.

In addition, the School did not maintain a fixed asset register detailing the assets name, serial number, cost, purchase date, location and current condition.

In the circumstances, the existence and custody of the assets could not be confirmed.

2. Lack of an Audit Committee

During the year under review, the School operated without an Audit Committee. This is contrary to Section 61(2) of the Basic Education Act 2013 which requires the Board of Management to establish Finance, Procurement and General Purposes Committee,

Academic Standards, Quality and Environment Committee, Ethics and Integrity Committee, Audit Committee and Human Rights and Student Welfare Committee.

In the circumstances, the existence of effectiveness of internal control and governance structure could not be confirmed.

3. Weakness in the Accounting System

During the year under review, the School processed transactions through an automated accounting system to produce reports. However, the system did not produce periodical financial reports needed for internal management and controls purposes or for external analysis purposes such as budget performance reports, bursary reports, detailed revenue and receivables reports and generation of financial statements. Further, the system does not allow for adequate customization of reports to meet specific user needs.

In the circumstances, the effectiveness of the internal controls on the accounting system 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 overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its 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. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Report of the Auditor General on Mbita High School for the six months period ended 30 June, 2021- Homa Bay County

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 September, 2024

Report of the Auditor General on Mbita High School for the six months period ended 30 June, 2021- Homa Bay County

PUBLIC SECONDARY SCHOOLS – MBITA HIGH SCHOOL
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	1,731,087	2,528,383
Capitation grants for operations	2	11,046,728	17,560,260
School Fund Income- Parents' Contributions	3	47,729,545	45,610,030
School Fund Income- Other receipts	4	23,900	0.00
Proceeds from borrowings			
TOTAL RECEIPTS		60,531,260	65,698,673
PAYMENTS			
Payments for Tuition	5	1,731,860	3,903,262
Payments for operations	6	4,453,598	20,975,595
Boarding and school fund payments	7	56,725,524	42,156,279
TOTAL PAYMENTS		62,910,982	67,035,136
SURPLUS/DEFICIT		(2,379,721)	(1,336,463)

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

Sign: 

Name JARED KIBERA

Chair BOM

Date

10/6/2024

Sign 

Name KENNEDY OJOO

School Principal/
Secretary to BOM

Date

10/6/24

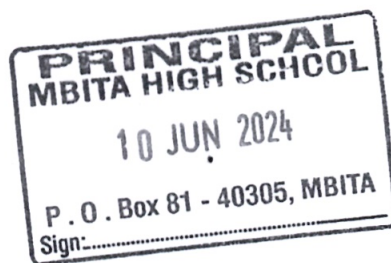
Sign 

Name Nasser Okech

Bursar/
Finance Officer

Date

10/06/2024



**MBITA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	1,134,020	2,339,890
Cash Balances	9		
Short term Investment	10		
Total Cash and cash equivalent		1,134,020	2,339,890
Account's receivables	11	73,695,650	63,427,788
TOTAL FINANCIAL ASSETS		74,829,670	65,767,679
FINANCIAL LIABILITIES			
Accounts Payables	12	26,855,394	15,413,681
NET FINANCIAL ASSETS		47,974,276	50,353,998
REPRESENTED BY			
Accumulated Fund b/fwd	13	50,353,997	51,690,460
Surplus/Deficit for the year		(2,379,721)	(1,336,463)
NET FINANCIAL POSSITION		47,974,276	50,353,997

The School's financial statements were approved on _____ 2021 and signed by:

Name: DARRO KISERA Chairman, BoM

Sign: [Signature]

Date: 10/6/2024

Name: KEMENYI QWISO

Date: 10/6/24

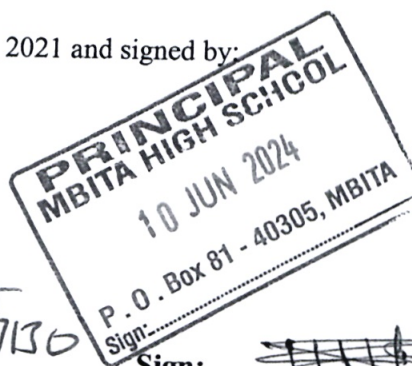
Name: MUSSUR OKECH Bursar/Finance

Sign: [Signature]

Date: 10/06/2024

School Principal/Secretary
to BoM

Sign: [Signature]



MBITA HIGH SCHOOL
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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	1,731,087	2,528,383
Capitation grants for operations	2	11,046,728	17,560,260
School fund income- Parents contributions/ fees	3	41,289,723	51,171,558
School fund income- other receipts	4	23,900	0
Total receipts		54,091,438	71,260,201
Payments			
Payments for Tuition		1,731,860	3,903,262
Payments for operations		6,608,472	20,975,595
Boarding and school fund payments		46,482,057	46,381,344
Total payments		54,822,389	71,260,201
Net cash flow from operating activities		(730,950)	0
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets		(474,920)	
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities		(474,920)	
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		(1,205,870)	
Cash and cash equivalent at BEGINNING of the year		2,339,890	2,339,890
Cash and cash equivalent at END of the year		1,134,020	2,339,890

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials	2,099,712		2,099,712	1,731,087	368,625	82
Chalks						
Exams and assessment						
Teachers guides						
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	2,686,816		2,686,816		2,686,816	
Repairs and maintenance	5,480,000		5,480,000	4,850,250	629,750	89
Local transport / travelling	1,521,432		1,521,432		1,521,432	
Electricity and water	1,801,336		1,801,336		1,801,336	
Medical						
Administration costs						
Activity						
Gratuity						
SMASSE						

PUBLIC SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	5,373,632		5,373,632	3,946,916	1,426,716	73
Repairs and maintenance	1,563,847		1,563,847	1,147,440	416,407	73
Local transport / travelling	1,473,003		1,473,003	1,431,800	41,203	97
Electricity and water	3,799,299		3,799,299	3,990,263	(190,964)	105
Medical	455,600		455,600	6,350	449,250	1
Administration costs	2,626,976		2,626,976	2,161,369	465,607	82
Activity	511,411		511,411	452,632	58,779	89
SMASSE						
Fee on Boarding Equipment and Stores	38,421,525		38,421,525	32,080,174	6,341,351	84
OTHER INCOME						
Rent income						
Income from farming activities						
Insurance compensation						
Income from Posho mill						
Income from Bus Hire						
Fee for hire of ground and equipment						
Interest income						
Income from any other investment						
TOTAL INCOME						
(1) EXPENDITURE FOR TUITION						
Textbooks and reference						

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Receipt/expenses Item	Original Budget a K.shs	Adjustments b K.shs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d K.shs	% of Utilization f=d/c % K.shs
materials						
Exercise books	486,283		486,283	370,000	116,283	76
Laboratory equipment	119,204		119,204	100,000	19,204	84
Internal exams	1,149,472		1,149,472	1,045,000	104,472	91
Teaching / learning materials	234,849		234,849	216,500	18,349	92
Chalks						
Exams and assessment						
Teachers guides						
Administration costs						
Bank Charges						
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	5,373,632		5,373,632	3,292,098	2,081,534	61
Repairs, maintenance & improvements						
Local transport / travelling	1,521,432		1,521,432	200,000	1,321,432	13
Electricity, water and conservancy	3,801,336		3,801,336	234,180	3,567,156	6
Medical						
Administration costs						
Activity Expenses						
Gratuity						
SMASSE						
(3) EXPENDITURE FOR SCHOOL FUND						

MDIHA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Personnel emoluments	5,373,632		5,373,632	6,580,371	(1,206,739)	122
Repairs, maintenance and improvements	1,563,847		1,563,847	56,375	1,507,472	4
Local transport / travelling	1,473,003		1,473,003	1,045,125	427,878	71
Electricity, water and conservancy	3,799,299		3,799,299	1,053,550	2,745,749	28
Medical Expenses	455,600		455,600	82,400	373,200	18
Administration costs	2,626,976		2,626,976	4,202,885	(1,575,909)	160
Activity	511,411		511,411	76,690	434,721	15
Gratuity						
Lunch programme						
Boarding Equipment and Stores	38,421,525		38,421,525	35,765,955	2,655,571	93
Expenditure for Income Generating Activity						
Insurance costs	94,850		94,850	94,850		100
Other expenses on investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition of Assets						
TOTALS						

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	1,731,087	
Chalks		
Exams and assessment		
Teachers guides		
Total	1,731,087	

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance	4,850,250	
Local transport / travelling		
Electricity and water		
Special need education grant	339,435	
Other vote heads (PE,EWC,ADM,ACT,LTT)	5,857,043	
Medical		
Administration costs		
Activity		
Total	11,046,728	

XI. NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 PARENTS CONTRIBUTION/FEEs - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Boarding equipment and stores	32,080,174	
Personnel emoluments	3,946,916	
Repairs and maintenance	1,147,440	
Local transport / travelling	1,431,800	
Electricity and water	3,990,263	
Medical	6,350	
Administration costs	2,161,369	
Activity	452,632	
Total	45,216,944	

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Rent income	2,500	
Income from farming activities		
Income from Grants and Donations	21,400	
Interest income		
Dividends income		
Total	23,900	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	370,000	
Laboratory equipment	100,000	
Internal exams	1,045,000	
Teaching / learning materials	216,500	
Chalks		
Exams and assessment		
Teachers guides		
Administration Costs		
Bank Charges	360	
Total	1,731,860	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	3,292,098	
Service Gratuity		
Administration Cost	52,400	
Local transport / travelling	200,000	
Electricity and water	234,180	
Medical		
Activity Expenses	200,000	
Bank Charges		
Acquisition of Assets – Pit latrine	474,920	
TOTAL	4,453,598	

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	6,580,371	
Repairs and maintenance & Improvements	56,375	
Local transport / travelling	1,045,125	
Electricity and water	1,053,550	
Medical Expenses	82,400	
Administration costs	4,202,885	
Uniform	1,703,900	
Activity	76,690	
Boarding Equipment and Stores	41,829,378	
Insurance Cost (Life Property)	94,850	
Acquisition of Assets		
TOTAL	56,725,524	

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 - Coop	01139047218401	2,765	3,538
Operations Account- Coop	01139047218400	23,984	2,192
School Fund Account/Boarding-Coop	01129047218400	24,000	197,411
School Fund Account/Boarding-Equity	0760268497276	341,745	718,074
School Fund Account/Boarding-KCB	1154826813	739,059	1,350,189
Infrastructural Account- Coop	01139047218402	2,467	68,487
Total		1,134,020	2,339,890

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account		
Operation Account		
School Fund account		
Total		

10 SHORT TERM INVESTMENTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	73,583,650	63,427,788
Other non-fees receivables		
Salary advances	102,000	
Unsurrendered Imprest	10,000	
Total	73,695,650	63,427,788

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	18,235,116	
Fees arrears for the previous year	12,895,275	20,974,529
Fees arrears for prior periods (over two years)	42,453,259	42,453,259
Total	73,583,650	63,427,788

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	23,139,354	8,956,225
Prepaid fees	3,695,940	5,561,528
Direct Deposits		800,080
Retention monies – Fees Refund	20,100	95,848
Total	26,855,394	15,413,681

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	23,139,354	
Trade creditors for the previous year – school fund		8,839,032
Trade creditors for the previous year – operations		117,193
Total	23,139,354	8,956,225

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	2,339,890	1,882,827
Cash balances		
Short Term Investments		
Receivables	63,427,788	60,965,288
Payables	(15,413,681)	(11,157,655)
Total	50,353,997	51,690,460

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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		
Total		

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		

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		

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)
1	Gratuity fund not operated			
2	Ever rising sundry creditors			
3	Ever arising fee arrears			

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XII. ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	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.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

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XIII. ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 20xx
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total						