

REPUBLIC OF KENYA



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REPORT

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HON. NAOMI WAGDO, MP

DEPUTY MAJORITY WHIP

KEITH NGWYO

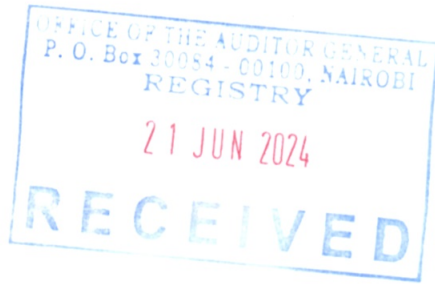
THE AUDITOR-GENERAL

ON

**SENIOR CHIEF MUNGUTI SECONDARY
SCHOOL**

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

MAKUENI COUNTY



Revised 30th June 2021.



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2021

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

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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1. 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 Secondary Education

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2. 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 in **Makueni** County, **Mbooni West** Sub-County.

The school was registered in **4/12/2014** under registration number **17S30000334** and is currently categorized as **Sub County** public school established, owned or operated by the Government.

The school is a mixed day secondary school and had **198** number of students as at **30th June 2021**. It has **1** stream and **11** teachers of which **2** 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.	Mr. Nene Nzyuko	Chairman	22/06/2019
2.	Mr. Ng'ole Nicodemus	Secretary- Principal	22/06/2019
3.	Madam Nancy Kathina Musya	Member	22/06/2019
4.	Mrs Serah Somba	Member	22/06/2019
5.	Madam Alice Nana Kimanthi	Member	22/06/2019
6.	Mrs. Rhoda Musau	Member – Rep CEB	22/06/2019
7.	Mr. James Muendo	Member Rep Teachers	22/06/2019
8.	Mr. Lawrence Ndothya Mr. Japheth Muendo Mr. Muamba Nzile	3 Members – Sponsor	22/06/2019
9.	Mr. Charles Mwanja	Member - Community	22/06/2019
10.	Mr. Festus N. Matheka	Member Special Needs	22/06/2019
11.	Sarah Mueni Mwanzia	Student's Representative	22/06/2019
12.	Michael Mutua Muema	PA chairman/ co-opted member	22/06/2019

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The functions of the School Board of Management are to:

- 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	Mr. Nene Nzyuko Mr. Ng'ole Nichodemus Mr. James Mutyeia Madam Alice Kimanthi Charles Mwanja Mukuu	Chairperson Secretary/principal P.A chairperson V. chairperson Member	3 Times 3 Times 3 Times 3 Times 3 Times
2	Audit Committee	Mr. Nene Nzyuko Mr. Ng'ole Nichodemus Mr. Lawrence Ndothya Mr. Gideon Mumo	Chairperson Member Member Member	3 Times 3 Times 3 Times 3 Times
3	Finance, procurement and general purposes Committee	Mr. Nene Nzyuko Mr. Ng'ole Nichodemus Mr. Lawrence Ndothya Mr. Bonface Muendo	Chairperson Member Member Member	3 Times 3 Times 3 Times 3 Times
4	Academic Committee	Mr. Nene Nzyuko Madam Nancy Kathina Brian Mang'ole Mr. James Mutyeia	Chairperson Member Member Member	3 Times 3 Times 3 Times 3 Times
5	Development Committee	Charles Mwanja Mukuu Mr. Ng'ole Nichodemus James Mutyeia Sarah Somba Eunice Peter	Chairperson Member Member Member	3 Times 3 Times 3 Times 3 Times
6	Discipline and welfare Committee	Mr. Nene Nzyuko Rev. Daniel Musau Madam Alice Kimanthi Mr. Nichodemus Ng'ole	Chairperson Member Member Member	3 Times 3 Times 3 Times 3 Times
7	Adhoc Committee (if any during the year)	James Kimeu Ng'ole Nichodemus Mary Mutiso Florence Mulinge		3 Times 3 Times 3 Times 3 Times

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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	Identification
1	Principal	MR. NICODEMUS M. NG'OLE	353088
2	Deputy Principal	MRS. AGNES MWANGANGI	260584
3	School Bursar	MRS. MARY MUTISO	ID NO. 23951933
4	Other (specify)		

(e) Schools contacts

Post Office Box: 161-90125 Kikima – Mbooni West
 Telephone: N/A
 E-mail: snrchiefmungutisec@gmail.com

(f) School Bankers

1. Name of Bank: KCB
 Branch: KIKIMA
 Account Number: 1138650617 (TUITION ACCOUNT)
2. Name of Bank: KCB
 Branch: KIKIMA
 Account Number: 1138650781 (OPERATION ACCOUNT)
3. Name of Bank: KCB
 Branch: KIKIMA
 Account Number: 1201390591 (BOARDING/LUNCH ACCOUNT)
4. Name of Bank: KCB
 Branch: KIKIMA
 Account Number: 1257291580 (INFRASTRUCTURE ACCOUNT)

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

(g) Independent Auditors

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

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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:

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

S/N	ACCOUNT	JAN- JUNE 2021	YEAR 2020	YEAR 2019
1	Tuition	11,404.70	198,424.00	145,295.50
2	Operation	(23,727.95)	(319,583.00)	242,961.00
3	Infrastructure	47,508.00	(27,462.00)	30,000.00
4	School Fund Account	476,949.00	91,953.00	135,166.00
	TOTAL	512,133.75	(56,668.00)	553,422.50

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

S/N	ACCOUNT	JAN- JUNE 2021	YEAR 2020	YEAR 2019
1	Tuition	245,084.70	353,535.00	620,167.50
2	Operation	1,121,670.75	2,415,240.00	2,932,373.00
3	Infrastructure	410,000.00	0.00	0.00
		1,776,755.45	2,768,775.00	3,552,540.50

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

S/N	PARTICULARS	JAN- JUNE 2021	YEAR 2020	YEAR 2019
1	Boarding Account	1,118,160.00	841,105.00	1,404,085.00
	TOTAL	1,118,160.00	841,105.00	1,404,085.00

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

PARTICULARS	JAN- JUNE 2021	YEAR 2020	YEAR 2019
Tuition	233,680.00	353,535.00	620,167.00
Operation	1,145,398.70	2,734,823.00	2,689,412.00
Infrastructure	362,492.00.00	0.00	0.00
School Fund Account	641,211.00	749,152.00	1,268,919.00
	2,382,781.70	3,837,510.00	4,578,498.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
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v. *Movement of Accounts Receivables and Accounts Payables of the school over the last three years*

SN	PARTICULARS	JAN- JUNE 2021	YEAR 2020	YEAR 2019
1	Debtors (Receivables)	547,636.00	67,000.00	114,685.00
2	Creditors (Payables)	309,528.00	290,620.00	226,161.00

b) **Teacher Student ratio:**

Subject	No. of Teachers	No. of Students	Ratio
Mathematics	3	198	1:66
English	2	198	1:99
Kiswahili	2	198	1:99
Chemistry	1	198	1:198
Biology	1	170	1:170
Physics	1	159	1:159
CRE	1	183	1:183
Geography	4	139	1:35
History	0	175	1:175
Business Studies	1	158	1:158
Agriculture	1	154	1:154

- **Teachers in the school for each subject;**

TEACHERS PER SUBJECT	No. of Teachers	No. of Teachers required	Shortage
Mathematics	3	0	0
English	2	0	0
Kiswahili	2	0	0
Chemistry	1	0	0
Biology	1	0	0
Physics	1	0	0
CRE	1	0	0
Geography	4	0	0
History	0	1	1
Business Studies	1	0	0
Agriculture	1	0	0

- **Teachers Recruited During the year (JAN – JUNE 2021)**

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

Teachers Recruited	Teachers Employed by TSC	Teachers Employed by BOM
1	9	2

c) Mean score in the 2021 KCSE:

Year	No. of Candidates	No. of students who transitioned to higher learning institutions	KCSE Mean	School set Mean score	Deviation	Remarks
2021	36	3	2.82	3.36	-0.54	Target not achieved
2020	47	10	3.452	3.519	-0.07	Target not achieved
2019	48	5	3.08	3.5	-0.42	Target not achieved

d) Development projects carried out by the school:

Projects	Capacity	No. of Students
8 classrooms	45	198
1 Laboratory	60	198
1 Boys Toilet (4 cubicles)	26	105
1 Girls toilet (4 cubicles)	24	93
1 Food store		
1 Kitchen		
1 Staff Toilet	8	

NICODEMUS M. NG'OLE
(PRINCIPAL)

SIGN



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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 *Senior chief Munguti secondary school* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

MR. NENE NZYUKO
(Chairman, School Board of Management)


SIGN 30/06/2023
DATE

NICODEMUS M. NG'OLE
(School Principal/Secretary to Board of Management)


SIGN 30/06/2023
DATE

MARY MUENDO
(Bursar/Finance Officer)


SIGN 30/06/2023
DATE



REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON SENIOR CHIEF MUNGUTI SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - MAKUENI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Senior Chief Munguti Secondary School – Makueni County set out on pages 1 to 18, which comprise of the statement of

Report of the Auditor-General on Senior Chief Munguti Secondary School for the six (6) months' period ended 30 June, 2021 – Makueni County

financial assets and liabilities, the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the six (6) months' period then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of matters described in the Basis for Qualified Opinion Section of my report, the financial statements present fairly, in all material respects, the financial position of the Senior Chief Munguti Secondary School - Makueni 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies of the Financial Statements

Review of the financial statements revealed errors and omissions as detailed below;

- i. The statement of receipts and payments reflects Government grants for operations of Kshs.1,121,671 which differs with Kshs.1,749,886 in the statement of cash flows resulting unexplained variance of Kshs.628,215.
- ii. The statement of receipts and payments reflects Government grants for infrastructure of Kshs.410,000 which differs with Nil balance in the statement of cash flows resulting unexplained variance of Kshs.410,000.
- iii. The statement of receipts and payments reflects school fund income-parents contributions of Kshs.1,118,160 which differs with Kshs.1,225,670 in the statement of cash flows resulting unexplained variance of Kshs.107,510.
- iv. The statement of receipts and payments reflects tuition payments of Kshs.233,680 which differs with Kshs.245,360 in the statement of cash flows resulting unexplained variance of Kshs.11,680.
- v. The statement of receipts and payments reflects operations payments of Kshs.1,145,399 which differs with Kshs.1,205,303 in the statement of cash flows resulting unexplained variance of Kshs.59,904.
- vi. The statement of receipts and payments reflects Boarding and school fund payments of Kshs.641,211 which differs with Kshs.1,118,471 in the statement of cash flows resulting unexplained variance of Kshs.477,260.

- vii. The statement of budgeted versus actual amounts reflects actual on a comparable basis total income of Kshs.3,283,811 which differs with the computed amount of Kshs.3,173,837 resulting unexplained variance of Kshs.109,974.

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

2. Accounts Receivables

2.1 Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects receivables balance of Kshs.547,636 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.340,636 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.340,636 could not be confirmed.

2.2 Unsupported Receivables

The statement of financial assets and financial liabilities reflects receivables balance of Kshs.547,636 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.3,535,213 could not be confirmed.

3. Unsupported Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.309,528 as disclosed in Note 14 to the financial statements. However, the School did not provide any support documents for the accounts payable including invoices, delivery notes, LPOs/LSOs, interim or completion certificates etc.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.309,528 could not be confirmed.

4. Failure to Prepare Bank Reconciliations

The statement of financial assets and financial liabilities reflects cash and cash equivalent of Kshs.293,734. Included in the balance are tuition account, operations account, school fund account and infrastructure account of Kshs.216, Kshs.77,422, Kshs.107,859 and Kshs.107,638. However, Management did not prepare bank reconciliations for the four bank accounts.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.293,134 could not be confirmed.

5. Unsupported Payments

The statement of receipts and payments reflects Boarding and School Fund payments of Kshs.641,211 which comprise of lunch programme payments of Kshs.641,091 and bank charges of Kshs.120. However, included in the lunch programme are payments of Kshs.170,594 which were not fully supported with LPOs, delivery notes, invoices and receipts.

In the circumstances, the accuracy of total payments of Kshs.170,594 could not be confirmed.

6. Unsupported Board Allowances

The statement of receipts and payments reflect operations payment of Kshs.1,145,399 which includes other vote-heads of Kshs.391,400. Included in the amount are Board of Management allowances of Kshs.70,000. However, minutes of the meetings held by the Board to approve the allowances, relevant schedules such as the attendance register and the minutes of the meeting were not provided for audit review.

In the circumstances, the accuracy and completeness of management allowances of Kshs.70,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Senior Chief Munguti Secondary 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.

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.4,230,941 and Kshs.3,283,810 respectively, resulting to an under-funding of Kshs.947,131 or 22% of the budget. However, the School spent an amount of Kshs.2,629,546 against actual receipts of Kshs.3,283,811 resulting to an under-utilization of Kshs.654,265 or 18 % of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

Report of the Auditor-General on Senior Chief Munguti Girls Secondary School for the Six (6) months' period ended 30 June, 2021 – Makeni County

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

The financial statements for the year ended 30 June, 2021 were submitted on 3 July, 2023 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education Circular Ref.No:MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

The statement of receipts and payments reflects operations grants amount of Kshs.1,531,670 as disclosed in Note 2 and 3 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.102,638 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, no funds were transferred to infrastructure account as at 30 June, 2021. This is contrary to Section 43 of Public Finance Management Act, 2012 and circular MOE.HQS/3/13/3 dated 16 June, 2021 that requires schools to transfer infrastructure grants from operations accounts within fifteen days from date the funds are credited.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.641,211 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.399,500 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.399,500 could not be confirmed.

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

The statement of receipts and payments reflects operations of Kshs.1,145,399 which includes Administrative costs of Kshs.511,725. Included in the administrative costs are cash payments totaling to Kshs.124,850 that were not supported with delivery notes, KRA tax receipts and stores ledgers. This is contrary to Regulation 93(1) of the Public Procurement and Assets Disposals Regulations, 2020 which states that where the accounting officer finds it necessary to use low value procurement method, that accounting officer may only delegate that function to the head of procurement function to procure the goods, works or services from a reputable outlet or provider through direct shopping or using credit cards or direct funds transfer to that outlet.

Additionally, Regulation 93 (3) of Public Procurement and Assets Disposals Regulations, 2020 requires that the goods procured shall be taken on charge by the officer responsible for the stores after the user department has confirmed the quantity and quality of the goods, works or services, before they are issued to the respective user department.

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

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 school submitted Financial Statements for six months' from 1 January, 2021 to 30 June, 2021 contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 which requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021

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.

6. Failure to Prepare School Improvement Plan

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

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

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 and based on the audit procedures performed, except for the matters described in the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Incomplete Fixed Asset Register

Annex 2 to the financial statements reflects a summary of fixed assets register with Nil values. Additionally, the assets register provided for audit review lacked mandatory information for both existing and acquired assets including dates of acquisition, persons responsible, assets' location, assets' values net of depreciation and amortization and current market values.

In the circumstances, the safe custody and ownership of the School's fixed assets could not be confirmed.

Report of the Auditor-General on Senior Chief Munguti Girls Secondary School for the Six (6) months' period ended 30 June, 2021 – Makeni County

2. In-Adequate Number of Board Meetings

During the period under review, scrutiny of the Board of Management minutes provided for the financial year 2020/2021 revealed that the Board of Management held one meeting on 25 June, 2021. In addition, attendance registers were not provided to confirm that the Board attended the meeting. Additionally, review of the Board of Management file revealed that the School did not have active committees as there were no supporting documents on meeting held in the year.

In the circumstances, the adequacy of oversight provided by the Board of Management cannot be ascertained.

3. Lack of Internal Audit Function and Audit Committee

During the period under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 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.

4. Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with no values for the assets. Included in the assets is land. Review of the records and physical verification showed that the school has 4 parcels of land, one was a donation, 2 had agreements and one had no documentations. However, the school did not provide land ownership documents of the four parcels for audit review.

In the circumstances, the ownership and safe custody of the fixed assets 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 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 the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is

Report of the Auditor-General on Senior Chief Munguti Girls Secondary School for the Six (6) months' period ended 30 June, 2021 – Makueni County

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease its operations. Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

13 November, 2024

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

6. Statement Of Receipts and Payments For the Year Ended 30th June 2021

Description Of Vote Head	Note	JAN-JUNE 2021	YEAR 2020
		Kshs	Kshs
Receipts			
Government grants for tuition	1	245,084.70	353,535.00
Government grants for operations	2	1,121,670.75	2,415,240.50
Government Grants for infrastructure	3	410,000.00	0.00
School fund income- parents' contributions	4	1,118,160.00	841,105.00
Miscellaneous incomes	5	0.00	0.00
Total Receipts		2,894,915.45	3,609,880.50
Payments			
Tuition	6	233,680.00	155,111.00
Operations	7	1,145,398.70	2,762,285.00
Infrastructure	8	362,492.00	0.00
Boarding and school fund	9	641,211.00	749,152.00
Total Payments		2,382,781.7	3,666,548.00
Surplus/Deficit		512,133.75	(56,667.50)
TOTAL			

The school financial statements were approved on **30/06/2023** and signed by:

MR. NENE NZYUKO
 (Chairman, School Board of Management)

PP [Signature]
 SIGN

30/06/2023
 DATE

NICODEMUS M. NG'OLE
 (School Principal/Secretary to Board of Management)

[Signature]
 SIGN



MARY MUENDO
 (Bursar/Finance Officer)

[Signature]
 SIGN

30/06/2023
 DATE

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

7. Statement of Assets and Liabilities As At 30th June 2021

Description	Note	JAN-JUNE 2021	YEAR 2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	293,134.40	4,720.65
Cash balances	11	600.00	0.00
Short term investments	12	0.00	0.00
Total cash and cash equivalent		293,734.40	4,720.65
Account's receivables	13	547,636.00	407,636.00
Total financial assets		841,370.40	412,356.65
Financial liabilities			
Accounts payables	14	309,528.00	392,648.00
		531,842.40	19,708.65
Net financial assets			
Represented by			
Accumulated fund b/fwd	15	19,708.65	76,376.15
Surplus/deficit for the year		512,133.75	(56,667.50)
Net financial position		531,842.40	19,708.65

The school's financial statements were approved on **30/06/2023** and signed by:

MR. NENE NZYUKO
 (Chairman, School Board of Management)

PP [Signature]
 SIGN

30/06/2023
 DATE

NICODEMUS M. NG'OLE
 (School Principal/Secretary to Board of Management)

for [Signature]
 SIGN

30/06/2023
 DATE

MARY MUENDO
 (Bursar/Finance Officer)

BM
 SIGN

30/06/2023
 DATE



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

8. Statement of Cash Flows for the Year Ended 30th June 2021

Description	Note	JAN-JUNE 2021	YEAR 2020
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		245,084.00	346,631.40
Government grants for operations		1,749,885.75	2,688,635.10
Government grants for infrastructure		0.00	0.00
School fund income- parents contributions/ fees		1,225,670.00	924,585.00
Other income		0.00	0.00
Total receipts		3,220,639.75	3,959,851.50
Payments			
Cash outflows for tuition		245,360.00	349,592.00
Cash outflows for operations		1,205,303.00	1,849,561.00
Cash outflows Boarding/lunch and school fund payments		1,118,471.00	923,957.00
Total payments		2,569,134.00	3,123,110.00
Net cash inflow/outflow from operating activities		651,505.75	836,741.50
Cash flow from investing activities			
Acquisition of assets		(362,492.00)	(860,150.00)
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		(362,492.00)	(860,150.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		289,013.75	(23,408.50)
Cash and cash equivalent at beginning of the FY		4,720.65	28,129.15
Cash and cash equivalent at end of the FY		293,734.40	4,720.65

The school's financial statements were approved on 30/06/2023 and signed by:

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

9. 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	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	0.00	0.00	0.00	0.00	0.00%
Exercise Books	0.00	0.00	0.00	0.00	0.00%
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00%
Internal Exams	0.00	0.00	0.00	0.00	0.00%
Teaching / Learning Materials	517,940.00	0.00	517,940.00	245,084.70	662.63%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	525,060.00	0.00	525,060.00	525,060.00	100%
Repairs And Maintenance	587,500.00	0.00	587,500.00	410,000.00	69.78%
Local Transport / Travelling	173,563.00	0.00	173,563.00	173,563.00	100%
Electricity And Water	173,564.00	0.00	173,564.00	173,564.00	100%
Medical	100,000.00	0.00	100,000.00	100,000.00	100%
Insurance (Medical & property)	135,000.00	0.00	135,000.00	135,000.00	100%
Administration costs	173,564.00	0.00	173,564.00	173,564.00	100%
Activity	176,250.00	0.00	176,250.00	96,340.00	54.66%
Gratuity	0.00	0.00	0.00	0.00	0.00%
Smasse	23,500.00	0.00	23,500	23,500	100%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE					

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL

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

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
M&I parents' contribution	0.00	0.00	0.00	0.00	0.00%
Economic Stimulus Programs	0.00	0.00	0.00	0.00	0.00%
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0.00%
Administration Block	0.00	0.00	0.00	0.00	0.00%
(4) Fees Charged on Parents					
Personnel Emoluments	0.00	0.00	0.00	0.00	0.00%
Repairs And Maintenance	0.00	0.00	0.00	0.00	0.00%
Local Transport / Travelling	0.00	0.00	0.00	0.00	0.00%
Electricity And Water	0.00	0.00	0.00	0.00	0.00%
Medical	0.00	0.00	0.00	0.00	0.00%
Administration Costs	0.00	0.00	0.00	0.00	0.00%
Activity	0.00	0.00	0.00	0.00	0.00%
SMASSE	0.00	0.00	0.00	0.00	0.00%
Fee On Boarding Equipment and Stores	1,645,000.00	0.00	1,645,000.00	1,118,160.00	67.9%
5) Miscellaneous Income					
Loans / Borrowing	0.00	0.00	0.00	0.00	0.00%
Rent income	0.00	0.00	0.00	0.00	0.00%
Income From Farming Activities	0.00	0.00	0.00	0.00	0.00
Insurance Compensation	0.00	0.00	0.00	0.00	0.00
Income From Posho Mill	0.00	0.00	0.00	0.00	0.00
Income From Bus Hire	0.00	0.00	0.00	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00	0.00	0.00	0.00
Interest Income	0.00	0.00	0.00	0.00	0.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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
Income From Any Other Investment	0.00	0.00	0.00	0.00	0.00
Total Income	4,230,941.00	0.00	4,230,941.00	3,283,810.50	77.61%
<i>(6) Expenditure For Tuition</i>	0.00	0.00	0.00	0.00	0.00
Textbooks	0.00	0.00	0.00	0.00	0.00
Reference Materials	0.00	0.00	0.00	0.00	0.00
Exercise Books	0.00	0.00	0.00	0.00	0.00
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00
Internal Exams	0.00	0.00	0.00	0.00	0.00%
Teaching / Learning Materials	517,940.00	0.00	517,940.00	355,059.50	68.55%
Chalks	0.00	0.00	0.00	0.00	0.00%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00%
Teachers Guides	0.00	0.00	0.00	0.00	0.00%
Administration Costs	0.00	0.00	0.00	0.00	0.00%
Bank Charges	0.00	0.00	0.00	0.00	0.00%
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	525,060.00	0.00	525,060.00	391,400.00	74.50%
Repairs, Maintenance & Improvements	587,500.00	0.00	587,500.00	8,500.00	1.45%
Local Transport / Travelling	173,563.00	0.00	173,563.00	190,100.00	109.50%
Electricity, Water and Conservancy	173,564.00	0.00	173,564.00	36,450.00	21%
Medical	100,000.00	0.00	100,000.00	0.00	0.00%
Insurance (Medical & property)	135,000.00	0.00	135,000.00	0.00	0.00%
Administration Costs	173,564.00	0.00	173,564.00	511,725.00	294.8%
Activity Expenses	176,564.00	0.00	176,564.00	3,700.00	2.1%

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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
Gratuity	0.00	0.00	0.00	0.00	0.00%
SMASSE	23,500.00	0.00	23,500.00	0.00	0.00%
Acquisition of Assets	587,500.00	0.00	587,500.00	491,520.00	84%
				1,633,395	
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB	0.00	0.00	0.00	0.00	0.00%
Construction of DORMS	0.00	0.00	0.00	0.00	0.00%
Purchase of furniture	0.00	0.00	0.00	0.00	0.00%
Purchase of equipment	0.00	0.00	0.00	0.00	0.00%
Purchase of machinery	0.00	0.00	0.00	0.00	0.00%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	0.00	0.00	0.00	0.00	0.00%
Repairs, Maintenance and Improvements	0.00	0.00	0.00	0.00	0.00%
Local Transport / Travelling	0.00	0.00	0.00	0.00	0.00%
Electricity, Water and Conservancy	0.00	0.00	0.00	0.00	0.00%
Medical Expenses	0.00	0.00	0.00	0.00	0.00%
Administration Costs	0.00	0.00	0.00	0.00	0.00%
Activity	0.00	0.00	0.00	0.00	0.00%
Gratuity	0.00	0.00	0.00	0.00	0.00%
Lunch Programme	1,327,540.00	0.00	1,327,540.00	641,091.00	48.29%
Boarding Equipment and Stores	0.00	0.00	0.00	0.00	0.00%
Expenditure For Income Generating	0.00	0.00	0.00	0.00	0.00%

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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
Activity					
Insurance Costs	0.00	0.00	0.00	0.00	0.00%
Other Expenses On Investments	0.00	0.00	0.00	0.00	0.00%
Rent Expenses	0.00	0.00	0.00	0.00	0.00%
Bank Charges	0.00	0.00	0.00		0.00%
Loan Interest Repayment	0.00	0.00	0.00	0.00	0.00%
Loan Principal Repayment	0.00	0.00	0.00	0.00	0.00%
Acquisition Of Assets	0.00	0.00	0.00	0.00	0.00%
Totals	4,501,295.00	0.00	4,501,295.00	2,629,545.50	58.42%

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

9. NOTES TO THE FINANCIAL STATEMENTS

1 Government Grants for Tuition

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	245,084.70	353,535.00
Chalk and dusters	0.00	0.00
Total	245,084.70	353,535.00

2 Government Grants for Operations

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Personnel Emoluments	0.00	0.00
Repairs And Maintenance	0.00	0.00
Local Transport / Travelling	965,330.75	1,328,190.50
Electricity And Water	0.00	0.00
Insurance, Medical & Property	10,000.00	64,050.00
Administration Costs	50,000.00	0.00
Activity	96,340.00	158,100.00
Other Vote Heads (PE, EWC, LT&T and Admin)	0.00	0.00
Total	1,121,670.75	1,550,340.50

3 Government Grants for infrastructure

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Maintenance & Improvement	410,000.00	864,900.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify)(NGCDF and County govt.	0.00	0.00
Total	410,000.00	864,900.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

4 School Fund Income - Parents Contribution/Fees

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Personnel emoluments	0.00	0.00
Repairs and maintenance	0.00	0.00
Local transport / travelling	0.00	0.00
Electricity and water	0.00	0.00
Medical	0.00	0.00
Administration costs	0.00	0.00
Activity	0.00	0.00
Fee on Boarding Equipment and stores	1,118,160.00	841,105.00
PA Levies	0.00	0.00
Prepaid fees	0.00	0.00
Total	1,118,160.00	841,105.00

5 Miscellaneous Incomes

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Rent Income	0.00	0.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Other Income (specify)*	0.00	0.00
Total	0.00	0.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

6 Tuition

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Exercise Books	0.00	0.00
Textbooks	0.00	0.00
Reference materials	0.00	0.00
Laboratory Equipment	0.00	0.00
Teaching / Learning Materials	233,680.00	155,111.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Bank Charges	0.00	0.00
Chalk and dusters	0.00	0.00
Total	233,680.00	155,111.00

7 Operations

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Personnel Emoluments	0.00	0.00
Service Gratuity	0.00	0.00
Administration Cost	511,725.00	587,473.00
Repairs And Maintenance & Improvements	8,500.00	0.00
Local Transport / Travelling	190,100.00	118,570.00
Electricity And Water	36,450.00	157,150.00
Medical	0.00	3,100.00
Activity Expenses	3,700.00	118,720.00
Acquisition of Assets	0.00	0.00
Other Vote Heads (PE, EWC, LT&T and Admin)	391,400.00	889,660.00
Bank Charges	3,523.70	1,462.00
Total	1,145,398.70	1,876,135.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

8 Infrastructure

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Construction of classrooms	362,492.00	886,150.00
Construction of laboratory	0.00	0.00
Construction of dormitory	0.00	0.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Bank charges	0.00	0.00
Total	362,492.00	886,150.00

9 Boarding And School Fund

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Personnel Emoluments	0.00	0.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	0.00	0.00
Local Transport / Travelling	0.00	0.00
Electricity And Water	0.00	0.00
Medical Expenses	0.00	0.00
Administration Costs	0.00	0.00
Lunch Programme	641,091.00	748,900.00
Bank Charges	120.00	252.00
Expenses On Income Generating Activities*	0.00	0.00
Fee On Boarding Equipment and Stores	0.00	0.00
Rent Expenses	0.00	0.00
Insurance Cost (<i>Life Property</i>)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
PA expenses	0.00	0.00
Others (specify)	0.00	0.00
Total	641,211.00	749,152.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	JAN-JUNE 2021	YEAR 2020
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1138650617	215.70	491.20
Operations Account	Active	1138650781	77,421.65	431.40
School Fund Account/Boarding	Active	1201390591	107,859.05	1,260.05
Savings Account	N/A		0.00	0.00
Parent Association Development Account	N/A		0.00	0.00
Income Generating Activities Account	N/A		0.00	0.00
Infrastructural Account	Active	1257291580	107,638.00	2,538.00
Total			293,134.40	4,720.65

11 Cash In Hand

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	0.00	0.00
Infrastructure Account	0.00	0.00
School Fund Account/Boarding	600.00	000
Total	600.00	0.00

12 Short Term Investments

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

13 Accounts Receivable

Description	JAN-JUNE 2021		YEAR 2020	
	Kshs		Kshs	
Fees Arrears	407,636.00		376,436.00	
Less: recoveries during the year	0.00		(35,800.00)	
Sub-total	407,636.00		340,636.00	
Add: fees balances as at 30 th June, 2021	140,000.00		67,000.00	
Total	547,636.00		407,636.00	
Other Non-Fees Receivables				
Salary Advances (list/schedule attached)	0.00		0.00	
Imprest (list/schedule attached)	0.00		0.00	
Rent arrears (list/schedule attached)	0.00		0.00	
Total	547,636.00		407,636.00	

13 b Ageing Analysis of Accounts Receivable

Description	JAN-JUNE 2021		YEAR 2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	140,000.00	25.56%	67,000.00	17.80%
Between 1- 2 years	67,000.00	12.24%	114,685.00	30.47%
Between 2-3 years	340,636.00	62.20%	194,751.00	51.73%
Over 3 years	0.00		0.00	
Total (should tie to note 13 a)	547,636.00	100%	376,436.00	100%

14 Accounts Payable

Description	JAN-JUNE 2021		YEAR 2020	
	Kshs		Kshs	
Trade Creditors (See Ageing Below and Appendix 1)	309,528.00		392,648.00	
Prepaid Fees	0.00		0.00	
Retention Monies	0.00		0.00	
Unpaid salaries and statutory deductions	0.00		0.00	
Caution money	0.00		0.00	
Other payables (<i>specify</i>)	0.00		0.00	
Total	309,528.00		392,648.00	

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

14a. Ageing Analysis of Accounts Payable

Description	JAN-JUNE 2021		YEAR 2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0.00	100%	392,648.00	100%
Between 1- 2 years	309,528.00	%	0.00	%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
Total (should tie to note 14)	309,528.00	100%	392,648.00	100%

15 Fund Balance Brought Forward

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Bank Balances	4,720.65	28,129.15
Cash Balances	0.00	0.00
Short Term Investments	0.00	0.00
Receivables	407,636.00	376,436.00
Payables	(392,648.00)	(328,189.00)
Total	19,708.65	79,376.15

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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	<i>JAN-JUNE 2021</i>	<i>YEAR 2020</i>
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17 Biological assets

Description	Numbers	<i>JAN-JUNE 2021</i>	<i>YEAR 2020</i>
		Kshs	Kshs
Cattle		0.00	0.00
Goats		0.00	0.00
Trees	50	50,000.00	25,000.00
Coffee Or Tea Plantation		0.00	0.00
Poultry		0.00	0.00
Others (specify)		0.00	0.00
Total		50,000.00	25,000.00

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

Other important disclosure notes

19 Stock/ Inventory

Description	JAN-JUNE 2021	YEAR 2020
	Kshs	Kshs
Stock/Inventory at beginning of the year	0.00	0.00
Stock/Inventory purchased during the year	1,930,742.00	1,523,345.00
Stock/Inventory issued during the year	(1,930,742.00)	(1,523,345.00)
Balance at end of the year	0.00	0.00

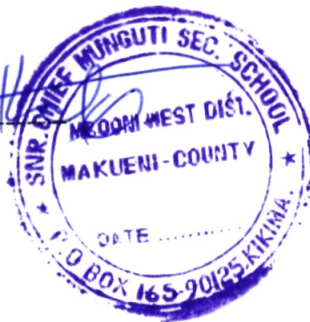
SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

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)

 Sign and Date
 Principal



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

10. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance Comparative 2020	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1.						
2.						
3.						
4.						
5.						
6.						
Grand Total						

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st January 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land		0.0	0.00	
Buildings And Structures		0.00	0.00	
Motor Vehicles		0.00	0.00	
Office Equipment, Furniture And Fittings		0.00	0.00	
Textbooks		0.00	0.00	
ICT Equipment		0.00	0.00	
Tools And Apparatus		0.00	0.00	
Other Machinery And Equipment		0.00	0.00	
Heritage And Cultural Assets		0.00	0.00	
Intangible Assets- Soft Ware		0.00	0.00	
Total		0.00	0.00	



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

ANALYSIS OF ACCOUNTS RECEIVABLES AS AT 30TH JUNE 2021

Form /class	Bes/Lunch
Form 1	12,700.00
Form 2	45,450.00
Form 3	24,750.00
Form 4	57,100.00
Total	140,000.00

TRIAL BALANCE AS AT 30TH JUNE 2021			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	293,134.40	
	Cash Balances	600.00	
	Short term investments	-	
	Receivables	547,636.00	
Payments			
	Payments for Tuition	233,680.00	
	Payments for operations	1,145,398.70	
	Boarding and school fund payments	641,211.00	
	payments for infrastructure	362,492.00	
Receipts			
	Capitation grants for tuition		245,084.70
	Capitation grants for operations		1,121,670.75
	Capitation grants for infrastructure		410,000.00
	School Fund Income- Parents' Contributions		1,118,160.00
	School Fund Income- Other receipts		-
	Accounts payables		309,528.00
Prior Year Adjustment			
	Fund Balance b/f		19,708.65
TOTAL		3,224,152.10	3,224,152.10

SURPLUS/ DEFICIT

TUITION	11,404.70
OPERATION	(23,727.95)
INFRASTRUCTURE	47,508.00
SCHOOL FUND	476,949.00
	512,133.75



**SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
P. O. BOX 161-90125
KIKIMA, MBOONI WEST**

SUPPORT ACCOUNT SCHEDULES OF THE FINANCIAL STATEMENT YEAR JAN 2021 - JUNE 2021

A. TUITION ACCOUNT INCOME

DATE	AMOUNT KSH/CTS	SOURCE	VOTE HEAD
Jan/06/2021	63,825.00	MOE	TLM
Mar/23/2021	114,237.50	MOE	TLM
June/02/2021	67,022.00	MOE	TLM
TOTAL	245,084.50		

B. TUITION ACCOUNT PAYMENT (NOTE 6)

DATE	PAYEE	CHEQUE NO.	AMOUNT	AMOUNT	VOTE HEAD
FEB/08/2021	Mulau Enterprises	101	48,320.00		TLM
FEB/08/2021	Mulau Enterprises	101		11,680.00	Sundry Creditors
MAR/26/2021	Zubilab Investment	102	80,000.00		TLM
APRIL/14/2021	Mulau Enterprises	103	38,000.00		TLM
JUNE/25/2021	Mulau Enterprises	104	67,000.00		TLM
	Bank Charges		360.00		
	TOTAL		<u>233,680.00</u>	<u>11,680.00</u>	



30/6/21

C. OPERATION ACCOUNT INCOME

DATE	AMOUNT	SOURCE
JAN/6/2021	628,546.75	MOE
MAR/30/2021	243,960.00	MOE
APRI/28/2021	396,340.00	MOE
JUNE/02/2021	262,824.00	MOE
TOTAL	1,531,670.75	

D. BOARDING/SCHOOL FUND ACCOUNT (INCOME)

NOTE 9

DATE	AMOUNT	SOURCE
JAN/31/2021	284,070.00	FEES PAYMENT
FEB/29/2021	151,630.00	FEES PAYMENT
MAR/31/2021	102,780.00	FEES PAYMENT
APRIL/30/2021		FEES PAYMENT
MAY/31/2021	315,540.00	FEES PAYMENT
JUNE/30/2021	124,140.00	FEES PAYMENT
	978,160.00	
ADD ACCOUNTS RECEIVABLE	140,000.00	
	1,118,160.00	



E. BOARDING/SCHOOL FUND PAYMENTS (NOTE 9)

DATE	AMOUNT	PURPOSE
JAN/31/2021	112,433.00	Food item Payment
FEB/29/2021	59,030.00	Food item Payment
MAR/31/2021	150,400.00	Food item Payment
APRIL/30/2021	31,010.00	Food item Payment
MAY/31/2021	222,298.00	Food item Payment
JUNE/30/2021	65,920.00	Food item Payment
Bank Charges	120.00	
TOTAL	<u>641,211.00</u>	



Senior Chief Munguti Secondary School

P.O Box 161- 90125, Kikima- Mbooni West.

Tel: +254 (7) 1190 5615

Motto: Education for Life and Eternity.

Our Ref:
Your Ref:.....

Date:

FORM 1 FEES DEBTORS LIST AS AT 30TH JUNE 2021

S/NO	ADM	NAME	BES	TOTAL
1	428	Ndunge Kimanthi	1,700.00	1,700.00
2	447	Mwendwa Ngewa	800.00	800.00
3	448	Esther Mwangeli Kioko	1,500.00	1,500.00
4	460	Duncan Musyoki	1,300.00	1,300.00
5	463	Catherine Mueni Mwangeli	2,600.00	2,600.00
6	465	Joshua Matula Wambua	500.00	500.00
7	472	Sharon Mumbua Mutuku	3,000.00	3,000.00
8	476	John Kalekye	1,300.00	1,300.00
		TOTAL	12,700.00	12,700.00

Faithfully Yours

MATHEKA, F.M.
PRINCIPAL.





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Date:

FORM 2 FEES DEBTORS LIST AS AT 30TH JUNE 2021

S/NO	ADM	NAME	BES	TOTAL
1	367	Kyama Mumo	4,500.00	4,500.00
2	375	Mwaka Kimanthi	6,000.00	6,000.00
3	388	Mumo Munyao	2,300.00	2,300.00
4	393	Muthoka Kioko	5,000.00	5,000.00
5	405	Musyoki Munyao	6,500.00	6,500.00
6	406	Munyiva Maingi	3,700.00	3,700.00
7	410	Mwende Musyimi	4,750.00	4,750.00
8	413	Kaviu Muindi	2,850.00	2,850.00
9	417	Kasyoki Musango	2,500.00	2,500.00
10	418	Caroline Koki	850.00	850.00
11	421	Joseph Mbuvi	3,000.00	3,000.00
12	552	Samuel Mwendwa	3,500.00	3,500.00
		TOTAL	45,450.00	45,450.00

Faithfully Yours

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Date:

FORM 3 FEES DEBTORS LIST
AS AT 30TH JUNE 2021

S/NO	ADM	NAME	BES	TOTAL
1	303	Syombua ndolo	1,000.00	1,000.00
2	309	Mwende ivuti	800.00	800.00
3	311	Mbithi wambua	1,500.00	1,500.00
4	310	Nduku musyimi	2,000.00	2,000.00
5	327	Mutindi mutyethau	500.00	500.00
6	351	Mutinda mwau	4,000.00	4,000.00
7	420	Fenton kinyamasyo	1,500.00	1,500.00
8	423	Evans nzioka	10,350.00	10,350.00
9	482	Jackson mwanzau	1,100.00	1,100.00
10	485	Caroline mwenga	2,000.00	2,000.00
		TOTAL	24,750.00	24,750.00

Faithfully Yours


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Date:

FORM 4 FEES DEBTORS LIST AS AT 30TH JUNE 2021

S/NO	ADM	NAME	BES	TOTAL
1	249	Eunice Mwongeli	400.00	400.00
2	258	James Nzioka	5,300.00	5,300.00
3	272	Mbula Kioko	1,000.00	1,000.00
4	273	Kioko Nzioka	1,000.00	1,000.00
5	278	Nyamai Kituo	3,150.00	3,150.00
6	280	Mutunga Muia	1,150.00	1,150.00
7	281	Kilungu Mutunga	4,250.00	4,250.00
8	292	Wayua Muli	28,650.00	28,650.00
9	293	Mwongeli Kisamu	2,000.00	2,000.00
10	333	Muthini Kyalo	2,100.00	2,100.00
11	344	Muema Musyoki	1,000.00	1,000.00
12	358	Joshua Kimeu	1,000.00	1,000.00
13	360	Stephene Wambua	4,600.00	4,600.00
14	474	Boniface Mumo	1,500.00	1,500.00
		TOTAL	57,100.00	57,100.00

Faithfully Yours

MATHEKA, F.M.
PRINCIPAL.

