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REPORT

DATE: 02 DEC 2024 DAY: MONDAY

TABLED BY:	HON. NAOMI WAGDO, MP
CLERK-AT THE-TABLE:	DEPUTY MAJORITY WHIP KISTHER NGENYO

THE AUDITOR-GENERAL

ON

**SENIOR CHIEF MUNGUTI SECONDARY
SCHOOL**

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

MAKUENI COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30754 00100, NAIROBI
REGISTRY
21 JUN 2024
RECEIVED

Revised 30th June 2022.



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

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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 **216** number of students as at **30th June 2022**. 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.	Rev. Daniel Musau	Member	22/06/2019
4.	Mrs. Patricia Makau	Member	22/06/2019
5.	Mr. Nicholas Nzioka	Member	22/06/2019
6.	Mrs. Mary Kilei	Member	22/06/2019
7.	Mrs. Redempta Mbae	Member	22/06/2019
8.	Mrs. Rhoda Musau	Member – Rep CEB	22/06/2019
9.	Mr. Agnes Mwangangi	Member Rep Teachers	22/06/2019
10.	Mr. Lawrence Ndothya Mr. Japheth Muendo Mr. Muamba Nzile	3 Members – Sponsor	22/06/2019
11.	Mr. Charles Mwanja	Member - Community	22/06/2019
12.	Mr. Randoilf Uhuru	Member Special Needs	22/06/2019
13.	Sarah Mueni Mwanzia	Student's Representative	22/06/2019
14.	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 Member	3 Times 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 2022 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)

(g) Independent Auditors

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

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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	JULY 2021 – JUNE 2022	JAN- JUNE 2021	YEAR 2020
1	Tuition	(42,825.00)	11,404.70	198,424.00
2	Operation	(380,391.40)	(23,727.95)	(319,583.00)
3	Infrastructure	(242,606.00)	47,508.00	(27,462.00)
4	School Fund Account	688,732.00	476,949.00	91,953.00
	TOTAL	22,909.60	512,133.75	(56,668.00)

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

S/N	ACCOUNT	JULY 2021 – JUNE 2022	JAN- JUNE 2021	YEAR 2020
1	Tuition	709,981.00	245,084.70	353,535.00
2	Operation	2,199,385.60	1,121,670.75	2,415,240.00
3	Infrastructure	849,000.00	410,000.00	0.00
		3,758,366.60	1,776,755.45	2,768,775.00

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

S/N	PARTICULARS	JULY 2021 – JUNE 2022	JAN- JUNE 2021	YEAR 2020
1	Boarding Account	2,975,320.00	1,118,160.00	841,105.00
	TOTAL	2,975,320.00	1,118,160.00	841,105.00

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

PARTICULARS	JULY 2021 – JUNE 2022	JAN- JUNE 2021	YEAR 2020
Tuition	752,806.00	233,680.00	353,535.00
Operation	2,579,777.00	1,145,398.70	2,734,823.00
Infrastructure	1,091,606.00	362,492.00.00	0.00
School Fund Account	2,286,588.00	641,211.00	749,152.00
	6,710,777.00	2,382,781.70	3,837,510.00

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	JULY 2021 – JUNE 2022	JAN- JUNE 2021	YEAR 2020
1	Debtors (Receivables)	645,246.00	547,636.00	67,000.00
2	Creditors (Payables)	145,028.00	309,528.00	290,620.00

b) **Teacher Student ratio:**

Subject	No. of Teachers	No. of Students	Ratio
Mathematics	3	216	1:72
English	2	216	1:108
Kiswahili	2	216	1:108
Chemistry	1	216	1:216
Biology	1	157	1:157
Physics	1	171	1:171
CRE	1	216	1:216
Geography	4	143	1:36
History	0	182	1:182
Business Studies	1	156	1:156
Agriculture	1	170	1:170

- **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

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- Teachers Recruited During the year (JULY 2021 – JUNE 2022)

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
2022	40	1	2.35	3.42	-1.07	Target not achieved
2021	36	3	2.82	3.36	-0.54	Target not achieved
2020	47	10	3.452	3.519	-0.07	Target not achieved

d) INFRASTRUCTURE CAPACITY OF THE SCHOOL JULY 2021 – JUNE 2022

Projects	Capacity	No. of Students
8 classrooms	45	216
1 Laboratory	60	216
1 Boys Toilet (4 cubicles)	30	115
1 Girls toilet (4 cubicles)	25	101
1 Food store	-	-
1 Kitchen	-	-
1 Staff Toilet	8	-

e. DEVELOPMENT PROJECTS JULY 2021 – JUNE 2022

Classroom Completion/Construction **1,091,606.00**

NICODEMUS M. NG'OLE
(PRINCIPAL)

SIGN



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

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, 2022, 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

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SENIOR CHIEF MUNGUTI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - 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 year ended 30 June, 2022 – Makueni County

financial assets and liabilities for the year ended 30 June, 2022, the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of 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 Senior Chief Munguti Secondary School – Makueni County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies of the Financial Statements

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

- i. The statement of receipts and payments reflects Government grants for operations of Kshs.2,199,386 which differs with Kshs.3,276,851 in the statement of cash flows resulting unexplained variance of Kshs.1,077,465.
- ii. The statement of receipts and payments reflects Government grants for infrastructure of Kshs.849,000 which differs with Nil balance in the statement of cash flows resulting unexplained variance of Kshs.849,000.
- iii. The statement of receipts and payments reflects school fund income-parents contributions of Kshs.2,975,320 which differs with Kshs.2,877,710 in the statement of cash flows resulting unexplained variance of Kshs.97,610.
- iv. The statement of receipts and payments reflects tuition payments of Kshs.752,807 which differs with Kshs.2,946,868 in the statement of cash flows resulting unexplained variance of Kshs.2,194,061.
- v. The statement of receipts and payments reflects operations payments of Kshs.2,579,777 which differs with Kshs.2,946,868 in the statement of cash flows resulting unexplained variance of Kshs.367,091.
- vi. The statement of receipts and payments reflects Boarding and school fund payments of Kshs.2,286,588 which differs with Kshs.2,355,588 in the statement of cash flows resulting unexplained variance of Kshs.69,000.

- vii. The statement of receipts and payments reflects Government grants for operations for the previous year (six month period ended 30 June, 2021) 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.
- viii. The statement of receipts and payments reflects Government grants for infrastructure for the previous year (six month period ended 30 June, 2021) of Kshs.410,000 which differs with Nil balance in the statement of cash flows resulting unexplained variance of Kshs.410,000.
- ix. The statement of receipts and payments reflects school fund income-parents contributions for the previous year (six month period ended 30 June, 2021) 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.
- x. The statement of cash flow reflects cash outflow for tuition for the previous year of Kshs.245,360 which differs with Kshs.233,680 in Note 6 to the financial statements resulting unexplained variance of Kshs.11,680.
- xi. The statement of cash flow reflects Boarding/lunch and school fund payments for the previous year of Kshs.1,118,471 which differs with Kshs.641,211 in Note 9 to the financial statements resulting unexplained variance of Kshs.477,260.

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.645,246 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.304,326 which had been outstanding for more than three (3) 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.304,326 could not be confirmed.

2.2 Unsupported Receivables

The statement of financial assets and financial liabilities reflects receivables balance of Kshs.645,246 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.645,246 could not be confirmed.

3. Unsupported Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.145,028 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.145,028 could not be confirmed.

4. Failure to Prepare Bank Account Reconciliations

The statement of financial assets and financial liabilities reflects cash and cash equivalent of Kshs.54,534. Included in the balance are tuition account, operations account, school fund account and infrastructure account of Kshs.391, Kshs.545, Kshs.50,181 and Kshs.3,417. 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.54,534 could not be confirmed.

5. Unsupported Payments

The statement of receipts and payments reflects Boarding and School Fund payments of Kshs.2,286,588 as disclosed in Note 9 to the financial statements which includes lunch programme payments of Kshs.2,182,502, personnel emoluments of Kshs.102,510 and bank charges of Kshs.1,576. However, included in the lunch programme are payments of Kshs.584,192 which were not fully supported with LPOs, delivery notes, invoices and receipts.

Additionally, payment vouchers related to transport allowances of Kshs.72,500 were paid without supporting documents such as board approvals and rates applied to the various location.

In the circumstances, the accuracy and completeness of the total payments of Kshs.2,286,588 could not be ascertained.

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

Report of the Auditor-General on Senior Chief Munguti Secondary School for the year ended 30 June, 2022 – Makuani County

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 comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.8,532,928 and Kshs.7,502,701 respectively resulting to an under realization of budget by Kshs.1,030,227 or 13% of the budget. However, the School spent an amount of Kshs.6,846,352 against actual receipts of Kshs.7,502,701 resulting to an under-utilization of Kshs.656,349 or 9% of actual receipts.

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 of 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, 2022. 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 which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

The statement of receipts and payments reflects operations payments of Kshs.2,579,777 as disclosed in Note 7 to the financial statements. Included in the amount is Administrative costs of Kshs.935,690. Included in the administrative costs are cash payments totaling to Kshs.274,455 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.

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.2,286,588 as disclosed in Note.9 to the financial statements. Included in the expenditure is an amount of Kshs.409,500 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.409,500 could not be confirmed.

4. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four 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 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 total historical value of Kshs.17,113,000. However, 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.

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 12 November, 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. Incomplete Documentation in the Procurement of Goods and Services

The statement of receipts and payments reflects infrastructure payments of Kshs.1,091,606 and boarding and school fund payments of Kshs.2,286,588. However,

Report of the Auditor-General on Senior Chief Munguti Secondary School for the year ended 30 June, 2022 – Makueni County

during the year under review, the School management initiated procurement process without requisitions, advertisements, list of pre-qualified suppliers, tender opening minutes, tender evaluation minutes and inspection and acceptance committee contrary to the Regulations 71,73,74,76 and 157 of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, the adequacy of internal control systems to ensure procurement procedures are applied in the purchase school equipment and supplies could not be confirmed.

4. Irregular Recruitment of Board Employees

The statement of receipts and payments reflects operations payments of Kshs.2,579,777 as disclosed in Note 7 to the financial statements. Included in the amount is personnel emoluments of Kshs.997,820. However, review of personnel records for the School revealed that the School had BOM teachers but there was no supporting documents on how the BOM teachers were recruited and how their salary structured and the qualifications that were applied for recruitment. Further, there were no supporting documents on appointment letters and if they were registered with TSC as is the requirement by law.

In the circumstances, the internal controls on recruitment of Board of Management staff could not be confirmed.

5. Lack of Internal Audit Function, Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 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. Additionally, review of the School records showed that the BOM appointed committees never sat in the year under review.

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

6. 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 documents. However, the School did not provide land ownership documents 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 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

Report of the Auditor-General on Senior Chief Munguti Secondary School for the year ended 30 June, 2022 – Makueni County

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

15 November, 2024


SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

6. Statement Of Receipts and Payments For the Year Ended 30th June 2022

Description Of Vote Head	Note	JULY 2021- JUNE 2022	JAN-JUNE 2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	709,981.00	245,084.70
Government grants for operations	2	2,199,385.60	1,121,670.75
Government Grants for infrastructure	3	849,000.00	410,000.00
School fund income- parents' contributions	4	2,975,320.00	1,118,160.00
Miscellaneous incomes	5	0.00	0.00
Total Receipts		6,733,686.60	2,894,915.45
Payments			
Tuition	6	752,806.00	233,680.00
Operations	7	2,579,777.00	1,145,398.70
Infrastructure	8	1,091,606.00	362,492.00
Boarding and school fund	9	2,286,588.00	641,211.00
Total Payments		6,710,777.00	2,382,781.70
Surplus/Deficit		22,909.60	512,133.75
TOTAL			

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

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

PP 

SIGN

30/06/2023

DATE

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



SIGN



MARY MUENDO
 (Bursar/Finance Officer)

M. 

SIGN

30/06/2023

DATE

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

7. Statement of Assets and Liabilities As At 30th June 2022

Description	Note	JULY 2021-JUNE 2022	JAN-JUNE 2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	54,534.00	293,134.40
Cash balances	11	0.00	600.00
Short term investments	12	0.00	0.00
Total cash and cash equivalent		54,534.00	293,734.40
Account's receivables	13	645,246.00	547,636.00
Total financial assets		699,780.00	841,370.40
Financial liabilities			
Accounts payables	14	145,028.00	309,528.00
Net financial assets		554,752.00	531,842.40
Represented by			
Accumulated fund b/fwd	15	531,842.40	19,708.65
Surplus/deficit for the year		22,909.60	512,133.75
Net financial position		554,752.00	531,842.40

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

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

[Handwritten Signature]
 SIGN

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

[Handwritten Signature]
 SIGN

MARY MUENDO
 (Bursar/Finance Officer)

[Handwritten Signature]
 SIGN



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

8. Statement of Cash Flows for the Year Ended 30th June 2022

Description	Note	JULY 2021-JUNE	JAN-JUNE 2021
		2022	
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		709,981.00	245,084.00
Government grants for operations		3,276,850.60	1,749,885.75
Government grants for infrastructure		0.00	0.00
School fund income- parents contributions/ fees		2,877,710.00	1,225,670.00
Other income		0.00	0.00
Total receipts		6,864,541.60	3,220,639.75
Payments			
Cash outflows for tuition		709,806.00	245,360.00
Cash outflows for operations		2,946,868.00	1,205,303.00
Cash outflows Boarding/lunch and school fund payments		2,355,588.00	1,118,471.00
Total payments		6,012,262.00	2,569,134.00
Net cash inflow/outflow from operating activities		852,279.60	651,505.75
Cash flow from investing activities			
Acquisition of assets		(1,091,480.00)	(362,492.00)
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		(1,091,480.00)	(362,492.00)
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		(239,200.40)	289,013.75
Cash and cash equivalent at beginning of the FY		293,734.40	4,720.65
Cash and cash equivalent at end of the FY		54,534.00	293,734.40

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 2022

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% 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	878,528.00	0.00	878,528.00	709,981.00	80.81%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	900,000.00	0.00	900,000.00	900,000.00	100%
Repairs And Maintenance	1,060,000.00	0.00	1,060,000.00	1,060,000.00	100%
Local Transport / Travelling	365,600.00	0.00	365,600.00	365,600.00	100%
Electricity And Water	365,600.00	0.00	365,600.00	365,600.00	100%
Medical	200,000.00	0.00	200,000.00	200,000.00	100%
Insurance (Medical & property)	224,000.00	0.00	224,000.00	224,000.00	100%
Administration costs	362,800.00	0.00	362,800.00	362,800.00	100%
Activity	318,000.00	0.00	318,000.00	318,000.00	100%
Gratuity	0.00	0.00	0.00	0.00	0%
Smasse	42,400	0.00	42,400	42,400	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 2022

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	3,816,000.00	0.00	3,816,000.00	2,975,320.00	77.97%
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 2022

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	8,532,928.00	0.00	8,532,928.00	7,502,701.00	84.94%
(6) Expenditure For Tuition	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	878,528.00	0.00	878,528.00	752,806.00	85.69%
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%
(7) Expenditure For Operations					
Personnel Emoluments	900,000.00	0.00	900,000.00	997,720.00	74.50%
Repairs, Maintenance & Improvements	0.00	0.00	0.00	0.00	0%
Local Transport / Travelling	365,600.00	0.00	365,600.00	511,475.00	109.50%
Electricity, Water and Conservancy	365,600.00	0.00	365,600.00	24,000.00	21%
Medical	200,000.00	0.00	200,000.00	0.00	0.00%
Insurance (Medical & property)	224,000.00	0.00	224,000.00	0.00	0.00%
Administration Costs	362,800.00	0.00	362,800.00	935,690.00	294.8%
Activity Expenses	318,000.00	0.00	318,000.00	12,050.00	2.1%

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

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	42,400	0.00	42,400	42,400.00	
Acquisition of Assets	1,060,000.00	0.00	1,060,000.00	1,167,385.00	
<i>(8) Expenditure For infrastructure</i>					
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%
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	0.00	0.00	0.00	102,510.00	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	3,816,000.00	0.00	3,816,000.00	2,182,502.00	0.00%
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 2022

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	8,532,928.00		8,532,928.00	6,846,352.00	80.23%

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

9. NOTES TO THE FINACIAL STATEMENTS

1 Government Grants for Tuition

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	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	709,981.00	245,084.70
Chalk and dusters	0.00	0.00
Total	709,981.00	245,084.70

2 Government Grants for Operations

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Personnel Emoluments	0.00	0.00
Repairs And Maintenance	0.00	410,000.00
Local Transport / Travelling	0.00	0.00
Electricity And Water	81,324.00	0.00
Insurance, Medical & Property	60,500.00	10,000.00
Administration Costs	0.00	50,000.00
Activity	0.00	96,340.00
Other Vote Heads (PE, EWC, LT&T and Admin)	2,057,561.60	965,330.75
Total	2,199,385.60	1,531,670.75

3 Government Grants for infrastructure

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Maintenance & Improvement	849,000.00	410,000.00
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	849,000.00	410,000.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

4 School Fund Income - Parents Contribution/Fees

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	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	2,975,320.00	1,118,160.00
PA Levies	0.00	0.00
Prepaid fees	0.00	0.00
Total	2,975,320.00	1,118,160.00

5 Miscellaneous Incomes

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	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 (<i>specify</i>)*	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 2022

6 Tuition

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	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	748,240.00	233,680.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Bank Charges	4,566.00	0.00
Chalk and dusters	0.00	0.00
Total	752,806.00	233,680.00

7 Operations

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Personnel Emoluments	997,820.00	0.00
Service Gratuity	0.00	0.00
Administration Cost	935,690.00	511,725.00
Repairs And Maintenance & Improvements	97,260.00	8,500.00
Local Transport / Travelling	511,475.00	190,100.00
Electricity And Water	24,000.00	36,450.00
Medical	0.00	0.00
Activity Expenses	12,050.00	3,700.00
Acquisition of Assets	0.00	0.00
Other Vote Heads (PE, EWC, LT&T and Admin)	0.00	391,400.00
Bank Charges	1,482.00	3,523.70
Total	2,579,777.00	1,145,398.70

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

8 Infrastructure

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Construction of classrooms	1,091,480.00	362,492.00
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	126.00	0.00
Total	1,091,606.00	362,492.00

9 Boarding And School Fund

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Personnel Emoluments	102,510.00	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	2,182,502.00	641,091.00
Bank Charges	1,576.00	120.00
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	2,286,588.00	641,211.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	<i>JULY 2021-JUNE 2022</i>	<i>JAN-JUNE 2021</i>
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1138650617	390.70	215.70
Operations Account	Active	1138650781	545.25	77,421.65
School Fund Account/Boarding	Active	1201390591	50,181.05	107,859.05
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	3,417.00	107,638.00
Total			54,534.00	293,134.40

11 Cash In Hand

Description	<i>JULY 2021-JUNE 2022</i>	<i>JAN-JUNE 2021</i>
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	0.00	0.00
Infrastructure Account	0.00	0.00
School Fund Account/Boarding	0.00	600.00
Total	0.00	600.00

12 Short Term Investments

Description	<i>JULY 2021-JUNE 2022</i>	<i>JAN-JUNE 2021</i>
	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 2022

13 Accounts Receivable

Description	JULY 2021-JUNE 2022		JAN-JUNE 2021	
	Kshs		Kshs	
Fees Arrears	547,636.00		407,636.00	
Less: recoveries during the year	(176,310)		0.00	
Sub-total	371,326.00		407,636.00	
Add: fees balances as at 30 th June, 2022	273,920.00		140,000.00	
Total	645,246.00		547,636.00	
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	645,246.00		547,636.00	

13 b Ageing Analysis of Accounts Receivable

Description	JULY 2021-JUNE 2022		JAN-JUNE 2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	273,920.00	42.45%	140,000.00	25.56%
Between 1- 2 years	0.00	0%	67,000.00	12.24%
Between 2-3 years	67,000.00	10.38%	340,636.00	62.20%
Over 3 years	304,326.00	47.20-%	0.00	
Total (should tie to note 13 a)	645,246.00	100%	547,636.00	100%

14 Accounts Payable

Description	JULY 2021-JUNE 2022		JAN-JUNE 2021	
	Kshs		Kshs	
Trade Creditors (See Ageing Below and Appendix 1)	145,028.00		309,528.00	
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	145,028.00		309,528.00	

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

14a. Ageing Analysis of Accounts Payable

Description	JULY 2021-JUNE 2022		JAN-JUNE 2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	43,000.00	29.65%	0.00	100%
Between 1- 2 years	102,028.00	70.35%	309,528.00	%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
Total (should tie to note 14)	145,028.00	100%	309,528.00	100%

15 Fund Balance Brought Forward

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Bank Balances	293,134.40	4,720.65
Cash Balances	600.00	0.00
Short Term Investments	0.00	0.00
Receivables	547,636.00	407,636.00
Payables	(309,528.00)	(392,648.00)
Total	531,842.40	19,708.65

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

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	JULY 2021-JUNE 2022	JAN-JUNE 2021
	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	JULY 2021-JUNE 2022	JAN-JUNE 2021
		Kshs	Kshs
Cattle			0.00
Goats			0.00
Trees	50		50,000.00
Coffee Or Tea Plantation			0.00
Poultry			0.00
Others (specify)			0.00
Total			50,000.00

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 2022

Other important disclosure notes

19 Stock/ Inventory

Description	JULY 2021-JUNE 2022	JAN-JUNE 2021
	Kshs	Kshs
Stock/Inventory at beginning of the year	0.00	0.00
Stock/Inventory purchased during the year	2,930,742.00	1,930,742.00
Stock/Inventory issued during the year	(2,930,742.00)	(1,930,742.00)
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 2022

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)

[Handwritten Signature]
 Sign and Date
 Principal



SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

10. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance Comparative 2021	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Mulau Enterprises	43,000.00	2022	0.00	43,000.00	0.00	
2. Joel Mutio Mukuna	102,028.00	2020	0.00	0.00	102,028.00	
3.						
4.						
5.						
6.						
Grand Total	145,028.00		0.00	43,000.00	102,028.00	

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land	1,100,000.00	0.0	0.00	1,100,000.00
Buildings And Structures	10,000,000.00	0.00	0.00	10,000,000.00
Motor Vehicles	0.00	0.00	0.00	0.00
Office Equipment, Furniture And Fittings	1,500,000.00	0.00	0.00	1,500,000.00
Textbooks	3,000,000.00	0.00	0.00	3,000,000.00
ICT Equipment	150,000.00	0.00	0.00	150,000.00
Tools And Apparatus	1,300,000.00	0.00	0.00	1,300,000.00
Other Machinery And Equipment	50,000.00	0.00	0.00	50,000.00
Heritage And Cultural Assets	13,000.00	0.00	0.00	13,000.00
Intangible Assets- Soft Ware	0.00	0.00	0.00	0.00
Total	17,113,000.00	0.00	0.00	17,113,000.00

SENIOR CHIEF MUNGUTI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

ANALYSIS OF ACCOUNTS RECEIVABLES AS AT 30TH JUNE 2022

Form /class	Bes/Lunch
Form 1	20,800.00
Form 2	81,900.00
Form 3	41,300.00
Form 4	129,920.00
Total	273,920.00

TRIAL BALANCE AS AT 30TH JUNE 2022			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	54,534.00	
	Cash Balances	-	
	Short term investments	-	
	Receivables	645,246.00	
Payments			
	Payments for Tuition	752,806.00	
	Payments for operations	2,579,777.00	
	Boarding and school fund payments	2,286,588.00	
	payments for infrastructure	1,091,606.00	
Receipts			
	Capitation grants for tuition		709,981.00
	Capitation grants for operations		2,199,385.60
	Capitation grants for infrastructure		849,000.00
	School Fund Income- Parents' Contributions		2,975,320.00
	School Fund Income- Other receipts		-
	Accounts payables		145,028.00
	Prior Year Adjustment		
	Fund Balance b/f		531,842.40
	TOTAL	7,410,557.00	7,410,557.00

SURPLUS/ DEFICIT

TUITION	(42,825.00)
OPERATION	(380,391.40)
INFRASTRUCTURE	(242,606.00)
SCHOOL FUND	688,732.00
	22,909.60





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

SUPPORT ACCOUNT SCHEDULES OF THE FINANCIAL STATEMENTS
YEAR JULY 2021 - JUNE 2022

A. TUITION ACCOUNT INCOME/RECEIPTS

DATE	AMOUNT KSH/CTS	SOURCE	VOTE HEAD
JULY/7/2021	66,740.00	MOE	TLM
AUG/1/2021	101,470.00	MOE	TLM
OCT/8/2021	89,600.00	MOE	TLM
JAN/6/2022	45,500.00	MOE	TLM
JAN/6/2022	47,450.00	MOE	TLM
JAN/6/2022	112,330.00	MOE	TLM
APR/20/2022	246,891.00		
TOTAL	<u>709,981.00</u>		

B. OPERATIONS ACCOUNT INCOME/RECEIPTS

DATE	AMOUNT KSH/CTS	SOURCE
JULY/13/2021	262,824.00	MOE
AUG/3/2021	625,500.00	MOE
OCT/4/2021	454,973.60	MOE
JAN/8/2022	230,990.50	MOE
JAN/8/2022	292,500.00	MOE
JAN/8/2022	487,319.50	MOE
APR/20/2022	694,378.00	MOE
TOTAL	<u>3,048,485.60</u>	





C. BOARDING/SCHOOL FUND ACCOUNT RECEIPTS

DATE	AMOUNT KSH/CTS	SOURCE
JULY/31/2021	83,430.00	FEES PAYMENT
AUG/30/2021	399,250.00	FEES PAYMENT
SEP/30/2021	133,290.00	FEES PAYMENT
OCT/30/2021	239,790.00	FEES PAYMENT
NOV/30/2021	246,690.00	FEES PAYMENT
DEC/31/2021	61,440.00	FEES PAYMENT
JAN/31/2022	363,760.00	FEES PAYMENT
FEB/29/2022	320,150.00	FEES PAYMENT
MAR/31/2022	21,200.00	FEES PAYMENT
APR/30/2022	12,500.00	FEES PAYMENT
MAY/31/2022	550,400.00	FEES PAYMENT
JUNE/30/2022	269,500.00	FEES PAYMENT
	2,701,400.00	
Add Accounts Receivables	273,920.00	
TOTAL	<u>2,975,320.00</u>	

[Handwritten Signature]

SNR. CHIEF MUNYUTI SEC. SCHOOL
 MBOONI WEST DIST.
 MAKUENI COUNTY
 DATE
 P.O. BOX 165-90125, KIKINDU.



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 2022

S/NO	ADM	NAME	BES	TOTAL
1	567	Irene Ndinda Mwau	500.00	500.00
2	575	Alex Muli	2,500.00	2,500.00
3	588	Mutunga Musyoki	1,500.00	1,500.00
4	559	Mbaika Mgewa	1,500.00	1,500.00
5	593	Mumo Muemdo	1,000.00	1,000.00
6	596	Dennis Nzalu	600.00	600.00
7	597	Stephen Kioko	300.00	300.00
8	607	Lillian Mutinda	900.00	900.00
9	609	Faith Nthenya	1,500.00	1,500.00
10	610	Muuo Philip	500.00	500.00
11	611	John Mutuku	2,500.00	2,500.00
12	616	Itumo Mutua	1,500.00	1,500.00
13	617	Mutua Nzembi	1,500.00	1,500.00
14	619	Muuo Ndisya	1,500.00	1,500.00
15	620	Mumo Musau	2,500.00	2,500.00
16	621	Mary Mutheu	500.00	500.00
		TOTAL	20,800.00	20,800.00

Faithfully Yours


MATHEKA, F.M.
PRINCIPAL.





Senior Chief Munguti Secondary School

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

Tel: +254 (7) 1190 5615

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Date:

FORM 2 FEES DEBTORS LIST AS AT 30TH JUNE 2022

S/NO	ADM	NAME	BES	TOTAL
1	492	Nduku Kyalo`	6,500.00	6,500.00
2	496	Jackson Mwaniki	200.00	200.00
3	506	Stephen Kyalo	5,500.00	5,500.00
4	510	Ann Mwikali	1,000.00	1,000.00
5	520	Mutinda Ngewa	3,200.00	3,200.00
6	521	Erick Maingi	6,000.00	6,000.00
7	525	Eunice Wambua	4,900.00	4,900.00
8	526	Maundu Kiilu	1,600.00	1,600.00
9	530	Dennis Mutinda	1,700.00	1,700.00
10	531	Onesmus Ukeka	500.00	500.00
11	533	Nduku Itumo	3,000.00	3,000.00
12	536	Felix Muli	4,250.00	4,250.00
13	537	Erick Musyoka	700.00	700.00
14	538	Mary Nzomo	2,500.00	2,500.00
15	539	Titus Wambua	6,000.00	6,000.00
16	540	Kelvin Mutua	3,000.00	3,000.00
17	541	Esther Mutua	4,500.00	4,500.00
18	542	Alice Mutua	5,000.00	5,000.00
19	543	Catherine Musyimi	5,500.00	5,500.00
20	544	John Musyimi	5,500.00	5,500.00
21	545	Shadrack Mwenze	5,500.00	5,500.00
22	548	Felister Mueni	250.00	250.00
23	550	Mercy Wambua	5,100.00	5,100.00
		TOTAL	81,900.00	81,900.00

Faithfully Yours

MATHEKA, F.M.
PRINCIPAL.





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 3 FEES DEBTORS LIST AS AT 30TH JUNE 2022

S/NO	ADM	NAME	BES	TOTAL
1	428	Ndunge kimanthi	1,600.00	1,600.00
2	440	Mutisya muli	1,000.00	1,000.00
3	442	Musyoka mutuku	1,500.00	1,500.00
4	448	Esther kioko	800.00	800.00
5	455	Joshua mule mbithi	2,000.00	2,000.00
6	458	Nduku wayua	8,000.00	8,000.00
7	460	Duncan musyoki	2,000.00	2,000.00
8	463	Catherine mueni	8,600.00	8,600.00
9	465	Joshua wambua	1,300.00	1,300.00
10	472	Sharon mutuku	1,500.00	1,500.00
11	475	Rhoda mumo mbithi	2,000.00	2,000.00
12	478	Brian mulei	2,500.00	2,500.00
13	366	Kaluki kyalo	3,500.00	3,500.00
14	481	Esther sila mwethya	3,700.00	3,700.00
15	515	Mercy ngui	1,300.00	1,300.00
		TOTAL	41,300.00	41,300.00

Faithfully Yours

MATHEKA, F.M.
PRINCIPAL.





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Your Ref:

Date:

FORM 4 FEES DEBTORS LIST AS AT 30TH JUNE 2022

S/NO	ADM	NAME	BES	TOTAL
1	309	Mwende Ivuti	3,000.00	3,000.00
2	311	Mbithi Wambua	3,000.00	3,000.00
3	327	Mutindi Mutyethau	1,500.00	1,500.00
4	337	Muthoki Kyalo	2,300.00	2,300.00
5	341	Ng'onde Muema	2,500.00	2,500.00
6	346	Ndonye Mutisya	1,200.00	1,200.00
7	348	Lai Wambua	1,500.00	1,500.00
8	351	Mutinda Mwau	1,000.00	1,000.00
9	354	Mumo Pius	1,500.00	1,500.00
10	423	Evans nzioka	10,500.00	10,500.00
11	424	Victor muli	1,000.00	1,000.00
12	485	Caroline mwenga	5,800.00	5,800.00
13	377	Mulinge mutuku	2,500.00	2,500.00
14	386	Samuel mwendwa	3,000.00	3,000.00
15	396	Mulwa mutuku	9,500.00	9,500.00
16	405	Musyoki munyao	5,070.00	5,070.00
17	406	Munyiva maingi	7,500.00	7,500.00
18	410	Mwende musyimi	17,000.00	17,000.00
19	412	Mutua mutuku	4,000.00	4,000.00
20	413	Kaviu muindi	7,850.00	7,850.00
21	415	Mwende muendo	8,050.00	8,050.00
22	417	Kasyoki musango	2,300.00	2,300.00
23	418	Caroline Koki	4,050.00	4,050.00
24	421	Joseph mbuvi	9,000.00	9,000.00
25	483	Patrick musyimi	15,300.00	15,300.00
		TOTAL	129,920.00	129,920.00

Faithfully Yours

MATHEKA, F.M.
PRINCIPAL.

