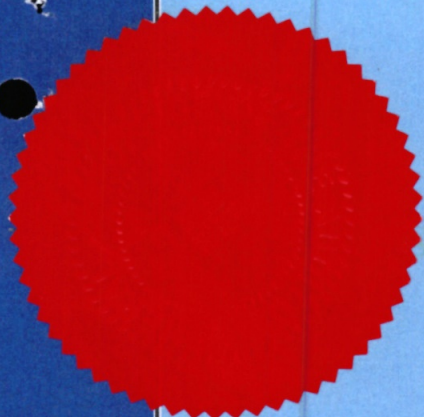


REPUBLIC OF KENYA




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REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 NOV 2024	DAY: Tuesday
TABLED BY:	Hon. Naomi Wago Deputy Majority Whip
CLERK-AT THE TABLE:	hormale

OF

THE AUDITOR-GENERAL

ON

NAKEEL SECONDARY SCHOOL

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

KAJIADO COUNTY



**NAKEEL SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

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

**NAKEEL SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30TH JUNE 2021**

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PUBLIC SECONDARY SCHOOL
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I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in **Kajiado** County, **Kajiado-North** Sub-County

The school was registered in **4/2/2021** under registration number **34S3000167** and is currently categorized as a **Extra county public school** established, owned or operated by the Government.

The school is a boarding school and had **660** numbers of students as at **30th June 2021**. It has **five** streams and **39** 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	Ashford Miriti	Chairman	2/7/2019
2	Kennedy Mwaniki	Secretary - Principal	Jan 2020
3	Peter Melonyie	Member	2/7/2019
4	Dr. Felix Macharia Kiruhi	Member	2/7/2019
5	Rosemary Otieno Okumu	Member	2/7/2019
6	Sarah Ngawaya	Member	2/7/2019
7	James Muguku Kimathi	Member	2/7/2019
8		Member – Rep CEB	
9	Stephen Mungai	Member Rep Teachers	2021
	i) Ashford Miriti		
	ii) Nancy W. Kirigwi		
10	iii) Rev. David N. Muthui	3 Members - Sponsor	2/7/2019
11	Carolyne Njema	Member - Community	2/7/2019
12		Member Special Needs	
13	Gerald Ikayo	Rep Students	Sept 2020/2021

The function of the School Board of Management include:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School

**NAKEEL SECONDARY SCHOOL
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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Ashford Miriti 2. Kennedy Mwaniki 3. Nancy Kirigwi 4. Sarah Ngawaya 5. Noah Kimpat	Chairman Secretary Member Member Member	1/1 1/1 1/1 1/1 /11
2	Audit Committee	1. Kennedy Mwaniki 2. Rosemary Okumu 3. Agatha Melonya 4. Noah Kimpat	Secretary Member Member Member	1/1 1/1 1/1 1/1
3	Finance, procurement and general purposes Committee	1. Ashford Miriti 2. Kennedy Mwaniki 3. James Kimathi 4. Benjamin Kilelu 5. Noah Kimpat 6. Joyce Wandere	Chairman Secretary Member Member Member Member	2/2 2/2 1/2 2/2 2/2 2/2
4	Academic Committee	1. Kennedy Mwaniki 2. Peter Melonyie 3. Rosemary Okumu 4. Sarah Ngawaya 5. Noah Kimpat 6. Dr. Macharia 7. Stephen Mungai 8. Carolyne Njema	Secretary Member Member Member Member Member Member Member	1/1 1/1 1/1 1/1 1/1 1/1 1/1 1/1
5	Development Committee	1. Ashford Miriti 2. Kennedy Mwaniki 3. Agatha Melonyie 4. Caroline Njema 5. Noah Kimpat 6. Joyce Wandere	Chairman Secretary Member Member Member Member	5/5 5/5 4/5 4/5 4/5/ 5/5
6	Discipline and welfare Committee	1. Kennedy Mwaniki 2. James Kimathi 3. Benjamin Kilelu 4. Agatha Melonyie 5. Noah Kimpat	Secretary Member Member Member Member	2/2 2/2 2/2 2/2 2/2
7	Adhoc Committee (if any during the year)			2

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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(d) School operation Management

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

Ref:	Designation	Name	TSC Number/Id No.
1	Principal	Kennedy Mwaniki Mutitu	306066
2	Deputy Principal	Peter Karanja Njau	322877
3	School Bursar	Esther .W. Mwai	13462691

(e) Schools contacts

Post Office Box: 15620
 Telephone: 0719352266
 E-mail: nakeelboys@yahoo.com
 Website: www.nakeelboys.sc.ke
 Facebook: Nakeel Naks

(f) School Bankers

The school operated 8 bank accounts at the following bank.

1. Name of Bank: KCB
 Branch: Ongata Rongai
 Account Number: 1104480050
2. Name of Bank: KCB
 Branch: Ongata Rongai
 Account Number: 11404484536
3. Name of Bank: KCB
 Branch: Ongata Rongai
 Account Number: 1104483866
4. Name of Bank: KCB
 Branch: Ongata Rongai
 Account Number: 1257685813
5. Name of Bank: KCB
 Branch: Ongata Rongai
 Account Number: 1265967466
6. Name of Bank: KCB
 Branch: Ongata Rongai
 Account Number: 1105119807

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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

7. Name of Bank: KCB
Branch: Ongata Rongai
Account Number: 1105119521
8. Name of Bank: KCB
Branch: Ongata Rongai
Account Number: 1105120627
9. MPESA Pay Bill No. 522123, Acc no. 86539Kadm.no attached to **KCB** bank account

(g) Independent Auditors

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

**NAKEEL SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

1) Surplus /deficit for the last 3 years.

Year	$\frac{1}{2}$ Year to 30 th June	2020	2019
Operation a/c	-	590,90.80	183,137.20
Tuition a/c	-	(246,842.00)	(444,999.80)
School fund a/c	-	443,635.71	399,607.23
Infrastructure a/c	-	42,609.25	20,338.00
Combination for all account	(92631.60)	830,311.76	158,082.63

2) Capitation grants for the last 3 years

Half year to **June 30th 2021**

Year	Half year to June 30 th 2021	2020	2019
Tuition	984,423.50	1,225,426	2,144,474.20
Operations	6,162,583	8,070,700	10,140,893.40
	7,174,006.50	9,296,126	12,285,367.60

3) Ratio of capitation grand per student over the last 3 years

Year	2021	2020	2019
Total grant	7174006.50	9296126	12285367.60
No.of students	660	791	641
Amount per student	10870	11752	19166
Expected during the year	11122	22244	22244
Ratio	0.98	0.53	0.86

4) Overview of school funds income

Year	2021	2020	2019
Income	16,037,321	18,187,772.83	28,346,277.53

5) Expenditure growth of the school

Year	2019	2020	2021
Tuition	2,584,740.00	1,472,268.00	975,190.00
Operations, CDF infrastructure	13,733,418.20	10,875,184.95	8,437,463.40
School fund	33,139,385.30	19,248,287.83	18,514,829.30
Total	49,502,277.50	31,595,740.78	27,927,482.70

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6) Debtors and creditors movement

	30/06/21	31/12/20	31/12/19
Creditors	3,043,369	1,905,455	475,660
Debtors	3, 296, 451.00	0	1,067,241

7) Movement of cash and bank balances over the last 3 years

Cash & bank balance as at	31/12/19	31/12/20	30/06/21
Tuition a/c	46,021,50	22829.50	31,943.00
Operation a/c	36,530,145	252,051.25	62,287.35
School fund a/c	204,780.70	1,02,170.58	2,790,348.78
infrastructure	20,338.00	62,947.25	1,542,995.25
CDF	-	-	293,999.00
Total	307,670.02	1,419,998.58	4,721,573.38

NB:

- 1) 2019 was a complete financial year.
- 2) 2020 was incomplete due to covid-19 lock –down.
- 3) 2021 was half year due to changes in the reporting period.

Conclusion: It is impossible to give proper comparison in financial performance based on the last three years. The three periods were unequal. We can only consider fund movements, others styles presentation would be misleading

b) **Teacher Student ratio:**

1. Teachers/student ratio: 20.5
2. Teacher recruited/ employed by TSC 2
3. Transferred teacher – 2
4. Bom teachers - 2

c) **Mean score in the 2020 KCSE:**

2018 – 5.297
2019 – 6.023
2020 - 6.345

d) **Number of Candidates in the 2020-2021 KCSE:**

Year	KCSE entry	B+	B	B-	C+	Total with C+ & above	M.S	M.G	Performance Index
2018	128	0	6	10	18	34	5.297	C-	-0.099
2019	130	7	9	14	19	44	6.023	C	+0.726
2020	110	4	8	16	19	47	6.345	C	+0.322

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e) **Capacity of the school:**

No. of student 791

Facility	Dormitory	toilets	DH	laboratory	classrooms
Capacity	800	800	500	600	700
Surplus/deficit	9	9	(300)	(200)	(91)

f) **Development projects carried out by the school**

Projects	Source of funds	Status	Initial cost (Kshs)	Amount spent (Kshs)	Expected Completion Time
Laboratory	CDF	Completed	4,000,000	3,704,900	Completed
Classes	FSDE and Parents	On going	5,410,900	0	30/09/2021

Sign

School Principal

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of (*Nakeel 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.

Name: Harun Gikera
Designation: Chairman, School Board of Management

Sign:
Date: 24-07-2024

Name: Kennedy Mwaniki Mutitu
Designation: School Principal & Secretary to Board of Management

Sign:
Date: 24-07-2024

Name: Esther .W. Mwai
Designation: Bursar/ Finance Officer

Sign:
Date: 24-07-2024

REPUBLIC OF KENYA

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Enhancing Accountability

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Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NAKEEL SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - KAJIADO 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 the 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, risk management environment and 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 the Nakeel Secondary School - Kajiado County set out on pages 11 to 29, which comprise of the statement of financial

Report of the Auditor-General on Nakeel Secondary School for the Six (6) Months' period ended 30 June, 2021 - Kajiado County

assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the 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 the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nakeel Secondary School - Kajiado 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 and the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Variance in School Fund Account

The statement of financial assets and financial liabilities and as disclosed in Note 8 and 9 reflects bank balance and cash in hand of Kshs.4,925,766 and Kshs.111,965 respectively. Included in the bank balance is a school fund account of Kshs.2,790,349. However, the certificate of the School fund Account reflected Kshs.2,387,969 resulting to an unexplained variance of Kshs.402,380.

In the circumstances, the accuracy and completeness of the school fund balance of Kshs.2,790,349 could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects accounts receivable balance of Kshs.10,261,957. However, included in the balance are receivables amounting to Kshs.7,027,928 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability and fair statement of accounts receivable balance of Kshs.10,261,957 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Nakeel Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.23,292,715 and Kshs.24,538,403 respectively resulting to a budgetary over-funding of Kshs.1,245,688 or 5% of the budget. However, the School spent a balance of Kshs.27,927,482 against actual receipts of Kshs.24,538,403 resulting to an over-utilization of Kshs.3,389,079 or 13% of the receipts.

In the circumstances, the under realization of revenue may have affected the planned activities of the School.

My opinion is not modified in respect to 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 and 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 to the Auditor-General

The financial statements for the period ended 30 June, 2022 were submitted to the Auditor- General on 14 October, 2022 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. Unconfirmed Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.8,163,006. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year ended 30 June, 2021, NEMIS reflected seven hundred and eighty-eight (788) students while records from the County Director of Education had seven hundred and twenty-seven (727) students, resulting to overfunding of the School by an amount of Kshs.391,139. This was contrary to the Ministry of Education Circular No:MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of the School may have affected service delivery to the students.

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

The School did not submit Financial Statements for eighteen (18) months 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.

4. Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.5,709,859. However, included in the balance are trade payables balance of Kshs.2,046,698 which had been outstanding for the previous year. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE 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 Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. 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.

2. Lack of Annual Work plan

During the year under review, scrutiny of records and documents relating to the Board of Management for the School revealed that the Board did not prepare Annual Work plan or Schedule of Activities for the year under review as required by Section 61 of the Basic Education Act, 2013 guides on committees of the board of management.

In the circumstances, lack of Board work plan may have affected the effectiveness of the oversight role of the Board.

3. Inadequate Management of Text Books

Review of the School records revealed that it received two thousand two hundred and eighty-eight (2288) set books from the Ministry of Education evidenced by delivery notes and the stores ledger books. However, there were no records provided to show movement of books from the stores to the library and receipt of the same books by the librarian were not kept. Further, the librarian did not maintain an acquisition register instead an issuance ledger was the only record maintained.

In the absence of an acquisition register the movement of books in and out of the library could not be confirmed.

4. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.739,791,309 in respect of fixed assets which includes land with a balance of Kshs.612,000,000. However, records availed showed that the land was owned by Presbyterian Foundation. No records of transfer of ownership were provided for audit.

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 effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability 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 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 financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance

and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 November, 2024

Report of the Auditor-General on Nakeel Secondary School for the Six (6) Months' period ended 30 June, 2021 - Kajiado County

**NAKEEL SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	984,423	-
Capitation grants for operations	2	7,178,583	-
School Fund Income- Parents' Contributions	3	5,073,709	-
School Fund Income- Other receipts	4	11,301,685	-
Proceeds from borrowings		0	-
TOTAL RECEIPTS		24,538,400	-
PAYMENTS			
Payments for Tuition	5	975,190	-
Payments for operations	6	8,437,463	-
Boarding and school fund payments	7	15,471,460	-
TOTAL PAYMENTS		24,884,113	-
SURPLUS/DEFICIT		(345,713)	-

The school financial statements were approved on 10-06-2024 and signed by:

Sign: 

Name: Harun K Gikera

Chair BOM

Date: 24/07/2024

Sign: 

Name: Kennedy Mwaniki

School Principal/
Secretary to BOM

Date: 24/07/2024

Sign: 

Name: Esther Mwai

Bursar/
Finance Officer

Date: 24/07/2024

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

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	4,925,766	-
Cash Balances	9	111,965	-
Short term Investment	10	0	-
Total Cash and cash equivalent		<u>5,037,731</u>	-
Accounts receivables	11	10,261,957	-
TOTAL FINANCIAL ASSETS		15,299,688	-
FINANCIAL LIABILITIES			
Accounts Payables	12	5,709,859	-
NET FINANCIAL ASSETS		9,589,829	-
REPRESENTED BY			
Accumulated Fund b/fwd	13	9,935,542	-
Surplus/Deficit for the year		(345,713)	-
NET FINANCIAL POSITION		9,589,829	-

The School's financial statements were approved on 10-06- 2024 and signed by:

Name: **Harun K Gikera**
Chairman to BoM

Sign:

Date: 24/07/2024

Name: **Kennedy Mwaniki**
Principal/Secretary to BoM

Sign:

Date: 24/07/2024

Name: **Esther Mwai**
Bursar

Sign:

Date: 24/07/2024

**NAKEEL SECONDARY SCHOOL
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	984,423	-
Capitation grants for operations	2	7,178,583	-
School fund income- Parents contributions/ fees	3	5,073,709	-
School fund income- other receipts	4	11,301,685	-
Total receipts		24,538,400	-
Payments			
Payments for Tuition	5	975,190	-
Payments for operations	6	8,437,463	-
Boarding and school fund payments	7	15,471,460	-
Total payments		24,884,113	-
Net cash flow from operating activities		(345,713)	-
Adjustments:			
Change in Accounts Receivables		(3,234,029)	
Change in Accounts payables		3,663,161	
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(-)	(-)
Proceeds from investments		-	-
Purchase of investments		(-)	(-)
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		83,419	-
Cash and cash equivalent at BEGINNING of the year		4,954,312	-
Cash and cash equivalent at END of the year		5,037,731	-

The school financial statements were approved on 10-06-2024 and signed by:

Sign: 

Name: Harun K Gikera

Chair BOM

Date: 24/07/2024

Sign: 

Name: Kennedy Mwaniki

School Principal/
Secretary to BOM

Date: 24/07/2024

Sign: 

Name: Esther Mwai

Bursar/
Finance Officer

Date: 24/07/2024

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	1,149,536	0	1,149,536	984,426	165,113	86
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,742,535	-	1,742,535	2,374,586	-632,051	136
Repairs and maintenance	103,730	-	103,730	381,552	-277,822	368
Local transport / travelling	277,565	-	277,565	381,552	-103,987	137
Electricity and water	477,062	-	477,063	624,097	-147,034	131
Medical and Insurance	614,945	-	614,945	381,552	233,393	62
Administration costs	238,210	-	238,210	312,440	-74,230	131
Activity	258,455	-	258,455	242,805	15,650	94

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
CDF	0	1,480,000	1,480,000	1,480,000	0	100
Infrastructure	1,262,500	-	1,262,500	1,000,000	-262,500	79
SMASSE	0		0	0	0	0
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	1,710,200	-	1,710,200	861,813	848,387	50
Repairs and maintenance	346,540	-	346,540	661,243	-314,703	191
Local transport / travelling	188,500	-	188,500	218,345	-29,845	116
Electricity and water	1,421,075	-	1,421,075	1,397,336	23,739	98
Bursary	0	1,353,969	1,353,969	1,353,969	0	100
Medical	-	-	-	-	-	-
Administration costs	536,500	-	536,500	539,194	-2,694	100
Activity	114,200	-	114,200	41,80	72,391	37
SMASSE	-	-	-	-	-	-
OTHER INCOME						
Fee on Boarding		-		10,798,453		
Equipment and Stores	9,639,280.00		9,639,280.00		-1,159,173	112
Rent Income	-	-	-	-	-	-
Income from farming activities	319,680	-	319,680	445,000	-125,320	139
Insurance compensation	-	-	-	-	-	-
Uniform	58,232		58,232	58,232	-	100
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	20,458,746	2,833,969	23,292,715	24,538,403	-1,770,685	105
<i>(1) EXPENDITURE FOR TUITION</i>						
Textbooks and reference materials	0	134,740	134,740	134,740	-	100
Exercise books	272,300	0	0	-	-	-
Laboratory equipment	413,489	50,712	464,200	464,200	-	100
Internal exams	374,325	-111,575	262,750	262,750	-	100
Teaching / learning materials	73,913	39,588	113,500	113,500	-	100
Chalks	15,510	0	15,510	-	15,510	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<i>(2) EXPENDITURE FOR OPERATIONS</i>						
Personnel emoluments	1,742,535	1,355,972	3,098,507	3,089,542	-	100
Repairs, maintenance & improvements	103,730	131,790	235,520	235,520	-	100
Local transport / travelling	277,565	-84,365	193,200	193,200	-	100
Electricity, water and conservancy	477,063	-115,921	361,142.00	361,142	-	100

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Medical and Insurance	614,945	-288,564	326,381	326,381	-	100
Administration costs	238,210	-156,787	81,423	90,387	-	100
Activity Expenses	258,455	139,345	397,800	397,800	-	100
Infrastructure	1,262,500	217,500	1,480,000	37,765	-	100
CDF		3,705,726	3,705,726	3,705,726	-	100
SMASSE	-	-	-	-	-	-
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	1,711,200	-	1,255,110	1,255,110	-	100
Repairs, maintenance and improvements	346,540	-	503,465	503,465	-	100
Local transport / travelling	188,500	-	1,074,745	1,074,745	-	100
Electricity, water and conservancy	1,421,075	-	689,414	689,414	-	100
Medical	-	14,050	14,050	14,050	-	100
Administration costs	536,500	-	2,291,802	2,291,802	-	100
Bursary		1,303,219	1,303,219	1,303,219		100
Activity	114,200	-70,400	43,800	43,800	-	100
Gratuity	-	-	-	-	-	-
Lunch programme	-	-	-	-	-	-
Boarding Equipment and Stores	9,639,280	-	9,639,280	7,999,772	1,639,508	83
Accounts Payable	-	3,043,369	3,043,369	3,043,369	-	100
Expenditure for Income Generating Activity	386,220	-	386,220	174,100	212,120	45
Insurance costs	0	50,995.00	50,995.00	50,995.00	-	100
Other expenses on	-	-	-	-	-	-

**NAKEEL SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
investments						
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	0	70,988	70,988	70,988	-	100
TOTALS	20,468,054	9,430,382	30,875,714	27,927,482	1,867,138	90

Budget underutilization (below 90% of utilization) and overutilization above 100%]

RECEIPTS

ACCOUNT	VOTEHEAD	%UTILIZATION	COMMENT
TUITION	TLM	86	The funding from the Ministry of Education was below the expected
OPERATIONS	PE,LT&T,RMI,ADM,EWC	Above 100%	Amounts received includes amount meant for the rest of the term. Occasioned by change in reporting period and academic year due to COVI-19 pandemic.
OPERATIONS	Medical and Insurance	Below 90%	Less receipts funding by MOE
SCHOOL FUND	P.E,ADM,ACTIVITY	Below 100%	Caused by less fee collection due to ranking in fees collection software by the school. The situation would change by the end of the term.

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SCHOOL FUND	P.E,ADM,ACTIVITY	Above 100%	Caused by less fee collection due to ranking in fees collection software by the school. Voteheads prioritized in the programme.
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EXPENDITURE

ACCOUNT	VOTEHEAD	%UTILIZATION	COMMENT
SCHOOL FUND	ADM	224	Votehead used to pay for tuition related materials since capitation by Ministry of Education is acutely insufficient.
SCHOOL FUND	Boarding Equipment and stores	83%	Caused by more fee collection due to ranking in fees collection software by the school. The situation would change by the end of the term.

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

**NAKEEL SECONDARY SCHOOL
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SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	0	-
Exercise books	0	-
Laboratory equipment	0	-
Internal exams	0	-
Teaching / learning materials	984,423	-
Chalks	0	-
Exams and assessment	0	-
Teachers guides	0	-
Total	984,423	-

2 CAPITATION GRANT FOR OPERATIONS, CDF AND INFRASTRUCTURE

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,374,585	-
Repairs and maintenance	381,552	-
Local transport / travelling	381,552	-
Electricity and water	624,097	-
Medical	381,552	-
Administration costs	312,440	-
Activity	242,805	-
CDF	1,480,000	-
Infrastructure	1,000,000	-
Total	7,178,583	-

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	861,813	-
Repairs and maintenance	661,243	-
Local transport / travelling	218,345	-
Electricity and water	1,397,336	-
Bursary	1,353,969	-
Administration costs	539,194	-
Activity	41,809	-
Total	5,073,709	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	10,798,453	-
Rent income	0	-
Income from farming activities	445,000	-
Insurance compensation	0	-
Uniform	58,232	-
Income from Bus Hire	0	-
Fee for hire of ground and equipment	0	-
Income from grants and donations*	0	-
Interest income	0	-
Dividends income	0	-
Total	11,301,685	-

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	134,740	-
Exercise books	0	-
Laboratory equipment	464,200	-
Internal exams	262,750	-
Teaching / learning materials	113,500	-
Chalks	0	-
Exams and assessment	0	-
Teachers guides	0	-
Administration Costs	0	-
Bank Charges	0	-
Total	975,190	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS, CDF AND INFRASTRUCTURE

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	3,089,542	-
Service Gratuity	0	-
Administration Cost	90,388	-
Repairs and maintenance & improvements	235,520	-
Local transport / travelling	193,200	-
Electricity and water	361,142	-
Medical	0	-
Activity Expenses	397,800	-
SMASSE	0	-
Insurance Cost	326,381	-
CDF	3,705,726	-
Infrastructure	37,764	-
TOTAL	8,437,463	-

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,255,110	-
Service Gratuity	0	-
Repairs and maintenance & Improvements	503,465	-
Local transport / travelling	1,074,745	-
Electricity and water	689,414	-
Medical Expenses	14,050	-
Administration costs	2,291,802	-
Bursary	1,303,219	-
Farm account	0	-
Expenses on Income Generating Activities	174,100	-
Fee on Boarding Equipment and Stores	7,999,772	-
Insurance Cost (Life Property)	50,995	-
Development-dorm construction	70,988	-
Activity	43,800	-
Acquisition of Assets	0	-
TOTAL	15,471,460	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1104483866	31,943	-
Operations Account	1104484536	62,288	-
School Fund Account/Boarding	1104480050	2,790,349	-
Savings Accounts(salary,development,farm)	1105119807	204,192	-
Parent Association Development Account	1105119521	0	-
CDF Account	1265967466	293,999	-
Infrastructural Account	1257685813	1,542,995	-
Total		4,925,766	-

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0	-
Operation Account	(10,955)	-
School Fund account	122,920	-
Total	111,965	-

10 SHORT TERM INVESTMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	10,261,957	-
Other non-fees receivables	0	-
Salary advances	0	-
Imprest	0	-
Total	10,261,957	-

Ageing of the fees / non fees arrears is as shown below:

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	3,296,451	-
Fees arrears for the previous year	0	-
Fees arrears for prior periods (over two years)	7,027,928	-
Less: Recoveries during the period	-62,422	
Total	10,261,957	-

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,845,869	-
Prepaid fees	863,990	-
Retention monies	0	-
Total	5,709,859	-

Ageing of the creditor's arrears is as shown below:

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	3,043,369	-
Trade creditors for the previous year	2,046,698	-
Trade creditors for prior periods (over two years)		-
Less:paid during the period	-244,198	
Total	4,845,869	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	4,943,356	-
Cash balances	10,956	-
Short Term Investments	-	-
Receivables	7,027,928	-
Less: Payables	(2,046,698)	-
Total	9,935,542	-

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Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

14 Non-current Liabilities Summary

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

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	21	1,050,000	-
Goats	0	0	-
Trees	4,556	1,366,800	-
Coffee or tea plantation	0	0	-
Poultry	0	0	-
Total	4,577	2,416,800	-

16 Borrowings

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

17 Stock/ Inventory

	2020-2021	2019-2020
	KShs	KShs
Stock/ inventory at beginning of the year	5,245,419	-
Stock/ inventory purchased during the year	12,662,803	-
Stock/ inventory issued during the year	12,227,947	(-)
Balance at end of the year	5,680,275	-

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18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)


Sign and Date
Principal

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of Buildings						
1. Magic Stores Hardware Limited	280,100.00	1/1/2021	0	280,100.00	280,100.00	
Supply of goods						
2. Githima Lincolns Enterprises	440,100.00	1/1/2021	0	440,100.00	440,100.00	
3. Ongata vetagro supply(25200-22600)	26,850.00	1/1/2021	0	26,850.00	26,850.00	
4. Utamu Groceries	59,010.00	1/1/2021	0	59,010.00	59,010.00	
5. Kiserian Elite Butchers & Hoteliers Ltd	221,300.00	1/1/2021	0	221,300.00	221,300.00	
6. Kisaju Fresh Limited	151,940.00	1/1/2021	0	151,940.00	151,940.00	
7. Quick mart Ltd	480,469.00	1/1/2021	0	480,469.00	480,469.00	
8. Rongai Livestock Advisory Centre	8,450.00	1/1/2021	0	8,450.00	8,450.00	
9. Green Rings Investments	505,750.00	1/1/2021	0	505,750.00	505,750.00	
10. Readmore Bookshop & Stationers	305,120.00	1/1/2021	0	305,120.00	305,120.00	
11. Aspet School Supplies	173,730.00	1/1/2021	0	173,730.00	173,730.00	
12. Silverbak Enterprises	162,500.00	1/1/2021	0	162,500.00	162,500.00	
13. Kairo's furniture centre	80,800.00	1/1/2021	0	80,800.00	80,800.00	
14. Jamwagi Power Engineering	17,150.00	1/1/2021	0	17,150.00	17,150.00	
15. Candirã Enterprise	7,550.00	1/1/2021	0	7,550.00	7,550.00	
16. Jackson Munge Ruthuthi	9,000.00	1/1/2021	0	9,000.00	9,000.00	
17. Focus Academic Supplies	20,300.00	1/1/2021	0	20,300.00	20,300.00	
18. Visat Digital Solutions	77,250.00	1/1/2021	0	77,250.00	77,250.00	
19. Wajayso Exploits Inkukuon	16,000.00	1/1/2021	0	16,000.00	16,000.00	
Grand Total	3,043,369			3,043,369	3,043,369	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st June 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Number of fixed assets as at 30 th June 2021
Land 1	1981	Ongata Rongai	612,000,000	-	-	612,000,000
Buildings and structures	Various	Ongata Rongai	82,622,505	3,814,478	-	86,436,983
Motor vehicles	Various	Ongata Rongai	9,600,000	-	-	9,600,000
Office equipment, furniture and fittings	Various	Ongata Rongai	4,089,500	-	-	4,089,500
ICT Equipment, and Other ICT Assets	Various	Ongata Rongai	1,399,450	-	-	1,399,450
Tools and apparatus	Various	Ongata Rongai	15,887,276	232,100	-	16,119,376
Generators	Various	Ongata Rongai	145,000	-	-	145,000
Textbooks	Various	Ongata Rongai	8,855,000	-	-	8,855,000
Other Machinery and Equipment	Various	Ongata Rongai	651,000	-	-	651,000
Heritage and cultural assets	Various	Ongata Rongai	195,000	-	-	195,000
Intangible assets- soft ware	Various	Ongata Rongai	300,000	-	-	300,000
Total			735,744,731	4,046,578	-	739,791,309