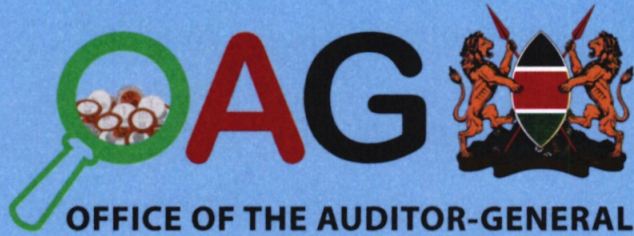


REPUBLIC OF KENYA



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REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 12 NOV 2024

DAY.

TUESDAY

TABLED
BY:

HASE KIMANI (LIMELIGHT)
(MAJORITY LEADER)

OF

CLERK-AT
THE-TABLE:

INZOFU MWALE

THE AUDITOR-GENERAL

ON

FLAMINGO SECONDARY SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2023

NAKURU COUNTY

NATIONAL ASSEMBLY
RECEIVED

09 NOV 2024

CITY CLERK
J.W.N

41842 -00100, NAIROBI



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

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

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Acronyms and Glossary of Terms

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.

I KEY SCHOOL INFORMATION AND MANAGEMENT**(a) Background information**

Flamingo secondary school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Nakuru County, Nakuru East Sub-County

The school was registered in 3RD August 2017 under registration number 32530000/340E/8/2017 and is currently categorized as a *Sub County* public school established, owned or operated by the Government.

The school is a day school and had students as at 30th June 2023. It has 19 streams and 41 teachers of which 8 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.	Prof. Robert Gesimba	Chairperson	2nd June 2022
2.	Aggrey Agessa Ndagona	Secretary – principal	2nd June 2022
3.	Rev. Benson Kingoro	Member	2nd June 2022
4.	Janet Bii	Member	2nd June 2022
5.	Christopher Robert Moita	Member	2nd June 2022
6.	Kennedy Abuje	Member	2nd June 2022
7.		Member – Rep CEB	2nd June 2022
8.	Dr. David Turuthi	Teachers Rep	2nd June 2022
9.	Caroline Kamaitha	Member Sponsor	2nd June 2022
10.	Wimmie Oyaro	Member - community	2nd June 2022
11.	Cecilia Kimani	Member – special needs	2nd June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (CONTINUED)

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.

KEY SCHOOL INFORMATION AND MANAGEMENT (CONTINUED)

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Robert Gisimba 2. Aggrey N. Agessa 3. Rev. B. Kingoro 4. Caroline Kamaitha	Chairman Secretary Member. Member.	7
2	Audit Committee	1. Aggrey Agessa 2. Cecilia Kimani 3. Dr. E. Muguku 4. R. Moita	Chairperson. Secretary. Member Member	
3	Finance, procurement and general purposes Committee	1. Robert Gesimba 2. Aggrey Agessa . N 3. Benson Kingoro 4. Jane Bii 5. Robert Mita	Chairperson Secretary. Member. Member. Member.	4
4	Academic Committee	1. Kennedy Abuje 2. Dr. David Turuthi 3. Aggrey Agessa .N. 4. Johra Said Ali 5. Walter Omwakwe	Chairman. Secretary Member Member Member.	4
5	Development Committee	1. Robert Moita 2. Dr. David Turuthi 3. Aggrey Agessa 4. CDE/SCDE Rep 5. Janet Bii 6. Pro. Robert Gesimba	Chairman. Secretary. Member. Member. Member. Member	7
6	Discipline and welfare Committee	1. Walter Omakwe 2. Dr. David Turuthi 3. James chiteri 4. Janet bii 5. Aggrey Agrssa	Chairman Member. Member. Member. Member.	3
7	Adhoc Committee	Procurement		5

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

KEY SCHOOL INFORMATION AND MANAGEMENT (CONTINUED)**(d) School operation Management**

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

Ref:	Designation	Name	Identification
1	Principal	AGGREY AGESSA NDAGONA	TSC no. 334352
2	Deputy Principal- 1	DR. DAVID G. TURUTHI	TSC No. 313934
	Deputy Principal - 2	NAOMI WANJOHI	TSC No.372024
3	School Bursar	MARGARET NDUTA MWANGI	

(e) Schools contacts

Post Office Box: 10308-20100
Telephone: 0702098900
E-mail: flamingo.school@yahoo.com
Website:
Facebook:
Twitter:

KEY SCHOOL INFORMATION AND MANAGEMENT (CONTINUED)

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: KCB
Branch: Nakuru Kenyatta Avenue
Account Number: SCHOOL FUND A/C NO. 1101640855
OPERATION A/C NO. 1101670258
INFRASTRUCTURE A/C NO. 1262040477
SAVINGS A/C NO. 1106462122

2. Name of Bank : NBK
Branch: Nakuru
Account Number: Tuition a/c No. 01025021068900
Savings a/c No. 01242019610200

3. Name of Bank: Family Bank
Branch: Nakuru Kenyatta Avenue
Account Number: 0000080757

4. MPESA Pay Bill No. 522123 attached to KCB 1106462122 bank account

(g) Independent Auditors

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

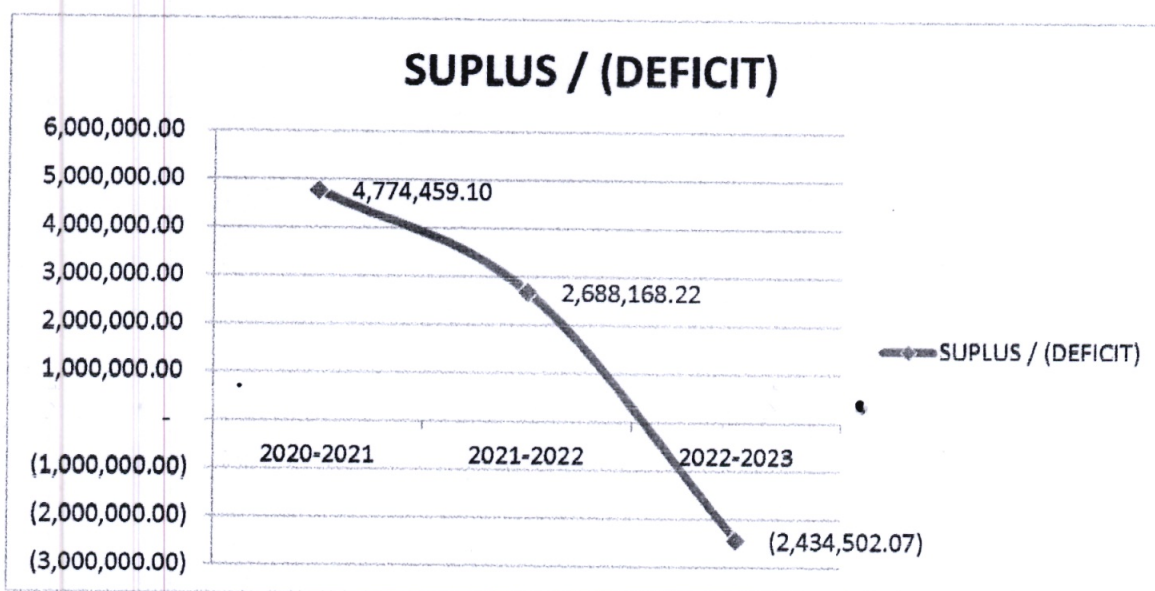
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

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

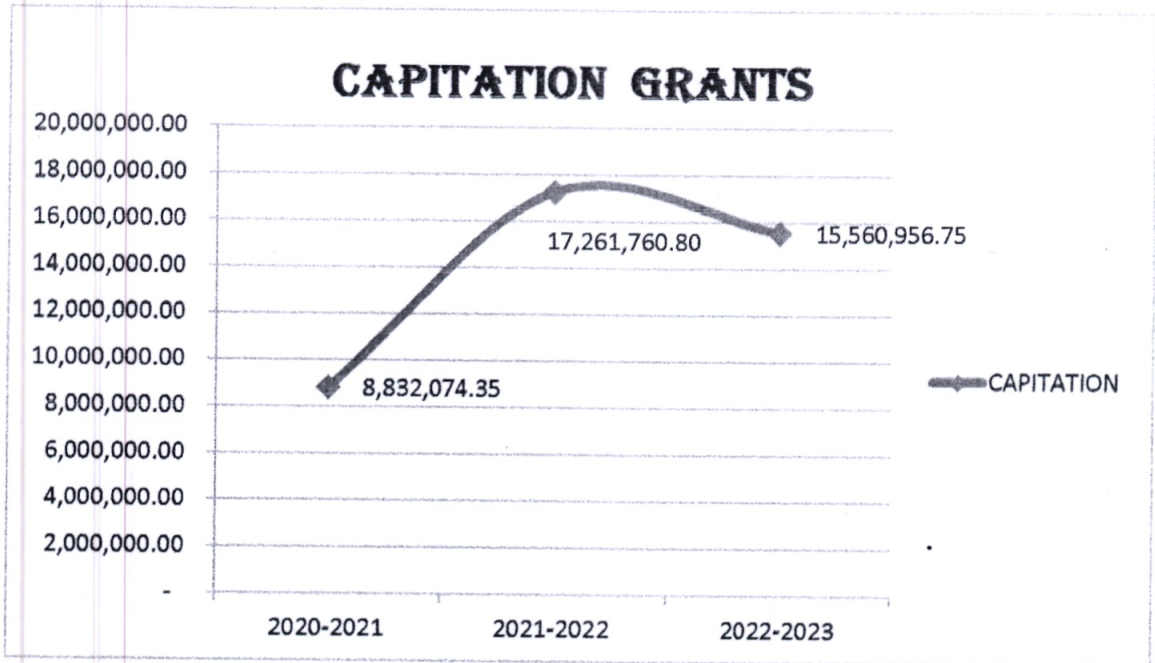
YEAR	2022-2023	2021-2022	2020-2021
SUPLUS/(DEFICIT)	(2,434,502.07)	2,688,168.22	4,774,459.10



- Capitation Grants from The Ministry Of Education For The Last Three Years

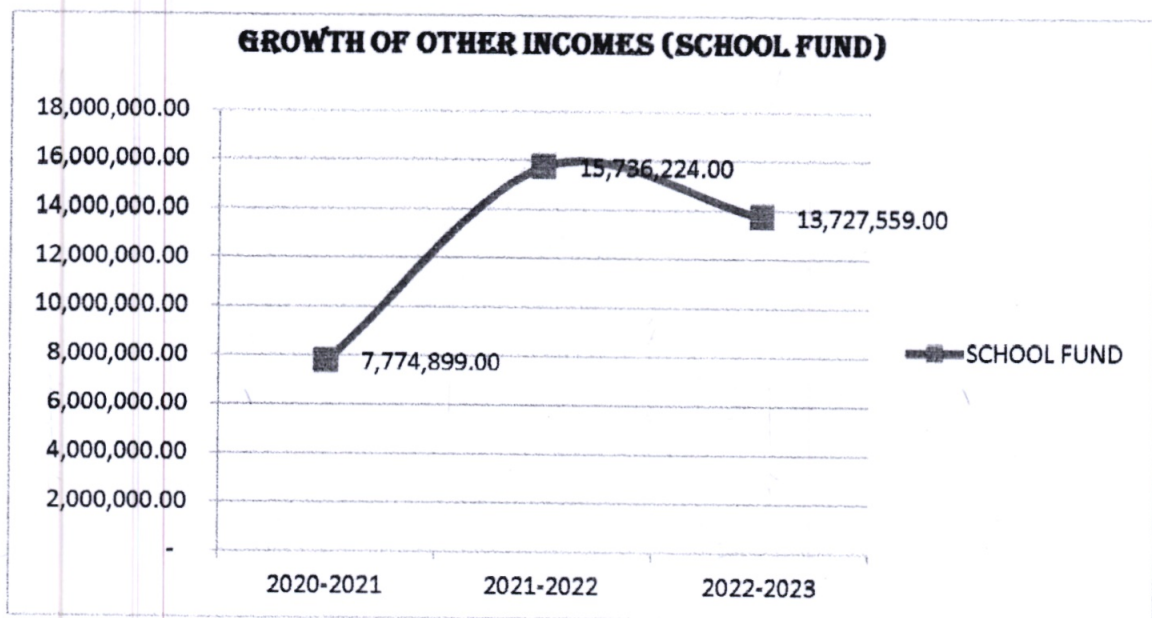
YEAR	2022-2023	2021-2022	2020-2021
TUITION A/C	3,189,693.75	3,164,120.80	1,097,011.50
OPERATION A/C	12,371,263	14,097,640.00	7,735,062.85
TOTAL	15,560,956.75	17,261,760.80	8,832,074.35

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (CONTINUED)



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

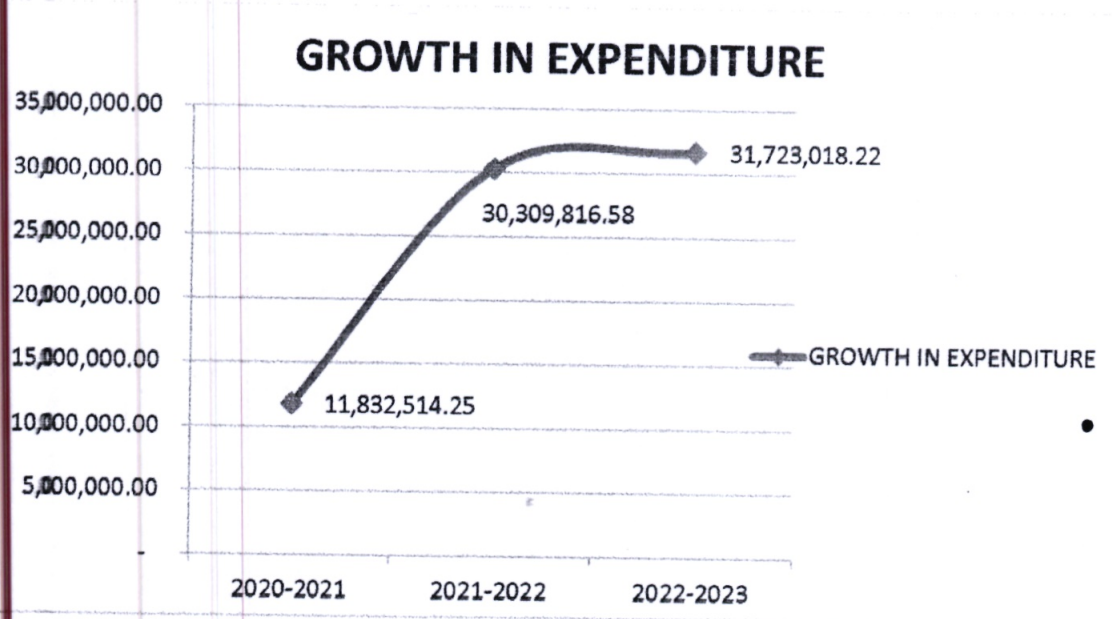
YEAR	2022-2023	2021-2022	2020-2021
LUNCH ACCOUNT	13,668,059.00	15,696,224.00	7,713,399.00
BUS HIRE	59,500.00	40,000.00	61,500.00
	13,727,559	15,736,224	7,774,899



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (CONTINUED)

- A Three-Year Overview of Growth in Expenditure of The School

YEAR	2022-2023	2021-2022	2020-2021
GROWTH IN EXPENDITURE	31,723,018.22	30,309,816.58	11,832,514.25

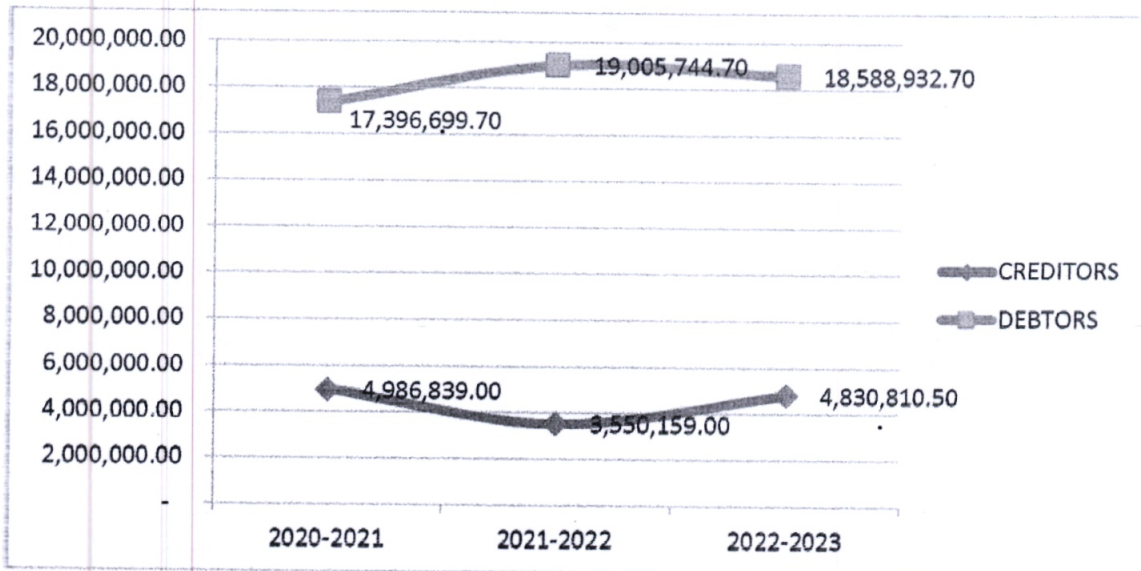


- Movement of debtors and creditors of the school over the last three years

YEAR	2022-2023	2021-2022	2020-2021
Creditors	4,830,810.50	3,550,159.00	4,986,839.00
Debtors	18,588,932.70	19,005,744.70	17,396,699.70

FLAMINGO SECONDARY SCHOOL

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



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (CONTINUED)

b) TEACHER STUDENT RATIO:

		Shortage
Teacher to student ratio (1087 Students)		
1. ENGLISH / Literature	- 6	1
2. KISWAHILI / History	- 1	2
3. MATHS/ Business	- 1	2
4. CHEMISTRY/ MATHS	- 2	2
5. PHYSICS/ Maths	- 4	2
6. GEOGRAPHY / BST	- 1	1
7. HISTORY/ CRE	- 4	1
8. AGRICULTURE / BUSINESS STUDIES	- 1	2
9. KISWAHILI / CRE	- 4	1
10. MATHS / BIOLOGY	- 1	2
11. HOME SCIENCE /BIOLOGY	- 1	0
12. PHYSICS /BIOLOGY	- 3	1
13. MATHS / GEOGRAPHY	- 1	1
14. BIO/ AGRICULTURE	- 3	1
No. of teacher of recruited during the year	-	20
No. of teachers that transferred or retired	-	2
No of teachers employed under BOM	- 8	
No. of teachers employed by TSC	- 33	

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (CONTINUED)

c) MEAN SCORE IN THE 2022-2020 KCSE

<i>KCSE YEAR</i>	<i>SCHOOL SET MEAN</i>	<i>KCSE MEAN SCORE</i>	<i>DEVIATION</i>	<i>No. students taken to Higher learning</i>	<i>Comments /compare to school set mean</i>
2022	23.5	2.84	-.4987	103	DROP
2021	3.50	3.3387	+0.339	77	Drop
2020	4.00	3.000	-0.357	59	Drop

c) NUMBER OF CANDIDATES IN THE 2020-2022 KCSE:

<i>YEAR</i>	<i>NO. OF CANDIDATE</i>
2022	216
2021	198
2020	150

d) CAPACITY OF THE SCHOOL:

Facility	Available no. of Facilities	Shortage / Required
Toilets: - Boys	19 doors	
- Girls	9 doors	7 Doors
Kitchen	1	
Dining Hall	1	
Laboratories	4	2
Library	1	1
Classrooms	23	2
Administration Block	1	1
Hall	1	1


FLAMINGO SECONDARY SCHOOL

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

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (CONTINUED)

e) DEVELOPMENT PROJECTS CARRIED OUT BY THE SCHOOL:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2 Storey classroom	MOE	50% COMPLETE	5,000,000	4,500,000	2025

Aggrey Aggrey


ndagou

PRINCIPAL
FLAMINGO SECONDARY SCHOOL
P.O. Box 10308, NAKURU
TEL 0702098900
DATE:.....SIGN.....

16-7-2024

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 (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 *Flamingo 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, 20..., and of the school's financial position as at that date.

Name: Prof Robert Chaimbi

Designation: Chairman, School Board of Management

Sign: [Signature]

Date: 16.7.24

Name: Aggrey Agessa Ndagong

Designation: School Principal & Secretary to Board of Management

Sign: [Signature]

Date: 16/07/2024

PRINCIPAL
FLAMINGO SECONDARY SCHOOL
P. O. Box 10308, NAKURU
TEL 0702098900
DATE: SIGN:

Name: Margaret Macharia

Designation: Bursar/ Finance Officer

Sign: [Signature]

Date: 16/7/2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON FLAMINGO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAKURU 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, 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 Flamingo Secondary School – Nakuru County set out on pages 1 to 24, which comprise of the statement of assets

Report of the Auditor-General on Flamingo Secondary School for the year ended 30 June, 2023 - Nakuru County

and liabilities as at 30 June, 2023, and 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 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 the Flamingo Secondary School as at 30 June, 2023, 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 in the Financial Statements

The statement of receipts and payments compared to ledgers/support schedules revealed variances in respect of five (5) items as follows: -

Item	Amount per Statement of Receipts and Payments (Kshs)	Amount Per Ledgers (Kshs)	Variance (Kshs)
Government Grants for Tuition	3,189,694	2,789,694	400,000
Government Grants for Operations	9,968,263	12,117,301	2,149,038
School Fund Income - Other Receipts	13,668,059	11,875,859	1,792,200
Boarding and School Fund Payments	13,407,432	12,746,681	660,751
Payments for Operations	10,079,925	9,977,954	101,971

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

2. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.18,588,933. Included in this amount is student debtors of Kshs.18,541,740 as disclosed in Note 13 to the financial statements. This amount is made up of students fee balances of Kshs.16,139,540 or 90% which had been outstanding for a period of between one (1) and three (3) years and Management did not provide debtors listing and aging analysis. In addition, there was no policy on the

impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the existence, accuracy, completeness and recoverability of the accounts receivables balance of Kshs.18,541,740 could not be confirmed.

3. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables of Kshs.4,830,810 comprising trade creditors of Kshs.4,192,831 and prepaid fees of Kshs.637,980 as disclosed in Note 14 to the financial statements. The trade creditors balance included Kshs.387,686 that had been outstanding for more than one year as disclosed in Note 14(a) to the financial statements. Further, the creditors list provided for audit was incomplete since it did not indicate the dates the creditors were contracted.

In the circumstances, the existence, accuracy and completeness of the accounts payables of Kshs.4,192,831 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and

Effectiveness in the 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

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2023 but the financial statements were submitted on 02 May, 2024. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

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

The School received operations capitation grants of Kshs.8,856,651 from the Ministry of Education during the period under review. The funds were credited to the School operations bank account. Out of this, Kshs.2,998,000 was supposed to be transferred to the School infrastructure bank account for maintenance and improvement of the School facilities. However, only Kshs.1,576,000 was transferred to the School infrastructure bank account, leaving un-transferred balance of Kshs.1,422,000.

This was contrary to The Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education's directive.

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

The audit noted that the school transferred co-curricular funds totalling Kshs.205,000 to Kenya Secondary School Heads Association (KESSHA), a private welfare organization that draws its membership from school principals and is not subject to PFM Act, 2012 or any other public finance regulations. KESSHA is not defined in Government funding and there is no assurance that it has implemented effective, efficient and transparent financial management and internal control systems to manage the co-curricular funds transferred by the School.

In the circumstances, the value for money from the transfer of Kshs.205,000 could not be confirmed.

4. Lack of a Prequalified List of Suppliers

Review of the procurement procedures for the period under review revealed that the School did not have a prequalified list of suppliers as per the provisions of Section 57(1) of the Public Procurement and Asset Disposal Act, 2015 which requires the head of the procurement function of a procuring entity to maintain and update lists of registered suppliers, contractors and consultants in the categories of goods, works or services according to its procurement needs.

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

5. Failure to Prepare an Annual Procurement Plan

During the year under review, the School did not prepare a procurement plan as required by Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020.

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

6. Irregular Use of Low-Value Procurement Method

The statement of receipts and payments reflects boarding and school fund payments of Kshs.13,407,432 which includes Kshs.1,571,167 utilized to purchase various items listed below through low-value method of procurement:

Description	Date	Payment Voucher No.	Amount (Kshs)
Supply of Maize	27/06/2023	511	214,243
Supply of Groceries	19/06/2023	289	145,960
Supply of Maize	22/02/2023	410	206,300
Supply of Meat	18/05/2023	242	133,640
Payment of Various Supplies	12/10/2022	56	196,869
Supply of Meat	12/10/2022	58	140,680
Payment for Maize Supplies	23/11/2022	109	127,025
Payment of Various Supplies	07/09/2022	32	180,000
Payment for Maize Supplies	28/09/2022	45	126,450
Supply of Meat	29/09/2022	46	100,000
Total			1,571,167

This was contrary to the Second Schedule of the Public Procurement and Asset Disposal Regulations, 2020 which sets a ceiling of Kshs.50,000 for low-value procurement.

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

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

Review of the financial statements revealed that the values in the financial statements are not rounded to the nearest Kenya Shillings as provided under significant accounting policies on statements of compliance and basis for preparation of the financial statements.

In the circumstances, Management did not comply with the the Public Sector Accounting Standards Board reporting requirements.

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, 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. Weak Controls in Inventory and Stores Management

The approved financial reporting template for secondary schools requires a school to disclose its inventories at the close of the financial year under other important disclosures. However, the disclosure made by Flamingo Secondary School was incomplete since it did not indicate the value of the inventories as required by the template. Further, the School did not maintain records of stock movement and also conduct a stock take at the close of the year.

In the circumstances, the weak controls over inventory may lead to losses and wastages of stocks.

2. Failure to Constitute an Audit committee

The School had not constituted an audit committee as required by Section 61(2) of the Basic Education Act, 2013 which requires Board of Management of an institution of basic education to establish an audit committee.

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

3. Lack of Ownership Documents and Non-Disclosure of Fixed Assets

Review of list of assets provided for audit revealed that the fixed assets include land, buildings and structures, office equipment, furniture and fittings, ICT equipment, tools and apparatus and textbooks. However, the following anomalies were noted;

- i. Assets had not been valued or disclosed as an annexure to the financial statements.
- ii. Management did not maintain a fixed assets register in the prescribed format and the assets were not coded or tagged for ease of identification and tracking of the assets.
- iii. Further, records provided for audit indicated that the School owns two (2) acres piece of land. As at the time of audit, in the month of June, 2023, the title deeds had not been obtained.

In the circumstances, the valuation, safe custody and ownership 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

05 September, 2024

FLAMINGO SECONDARY SCHOOL

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

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		KSHS	KSHS
RECEIPTS			
Government grants for tuition	1	3,189,693.75	3,164,121
Government grants for operations	2	9,968,263.40	9,120,890
Government grants for infrastructure	3	2,403,000.00	4,976,750.00
School Fund Income- Parents contributions	4	13,668,059.00	15,696,224.00
Miscellaneous incomes	5	59,500.00	40,000.00
TOTAL RECEIPTS		29,288,516.15	32,997,985
PAYMENTS			
Tuition	6	2,986,169.00	4,029,849.00
Operations	7	10,079,924.50	8,932,775.00
Infrastructure	8	5,249,492.50	3,719,010.00
Boarding and school fund	9	13,407,432.22	13,628,182.58
TOTAL PAYMENTS		31,723,018.22	30,309,817
SURPLUS/DEFICIT		(2,434,502.07)	2,688,168

The school financial statements were approved on 30th June 20.... and signed by:

Prof. Robert Gesimbi
Chairman, B.O.M.

Aggrey Agessa
School Principal/
Secretary to BOM

Margaret Mwangi Nacharia
Bursar/
Finance Officer

Sign: [Signature]

Sign: [Signature]

Sign: [Signature]

Date: 16.7.24

Date: 16/07/24

Date: 16.7.2024

PRINCIPAL
FLAMINGO SECONDARY SCHOOL
P. O. Box 10308, NAKURU
TEL 0702098900
DATE: SIGN:

BURSAR
FLAMINGO SECONDARY SCHOOL
P. O. Box 10308, NAKURU
TEL 0702098900
DATE: SIGN:

FLAMINGO SECONDARY SCHOOL

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

VI STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2023

	Note	2022-2023	2021-2022
		KSHS	KSHS
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	1,095,819.19	1,802,535.54
Cash Balances	11	2,552.78	32,875.00
Short term Investment	12	-	-
Total Cash and Cash Equivalents		1,098,371.97	1,835,410.54
Account's receivables	13	18,588,932.70	19,005,744.70
TOTAL FINANCIAL ASSETS		19,687,304.67	20,841,155.24
FINANCIAL LIABILITIES			
Accounts Payable	14	4,830,810.50	3,550,159.00
NET FINANCIAL ASSETS		14,856,494.17	17,290,996.24
REPRESENTED BY			
Fund balance b/fwd. 1st July...	15	17,290,996.24	14,602,828.02
Surplus/Deficit for the year		(2,434,502.07)	2,688,168.22
NET FINANCIAL POSITION		14,856,494.17	17,290,996.24

The school's financial statements were approved on 30th June 20... and signed by:

<p><u>Prof. Robert Gesumba</u> Chairman, B.O.M.</p> <p>Sign: <u>[Signature]</u></p> <p>Date: <u>16/7/2024</u></p>	<p><u>Aggrey Agessa Ndagana</u> School Principal/ Secretary to BOM</p> <p>Sign: <u>[Signature]</u></p> <p>Date: <u>16/07/2024</u></p>	<p><u>Margaret Macharia</u> Bursar/ Finance Officer</p> <p>Sign: <u>[Signature]</u></p> <p>Date: <u>16/7/24</u></p>
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PRINCIPAL
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DATE:.....SIGN:.....

VII. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2023

		2022-2023	2021-2022
		KSHS .	KSHS
Receipts from operating activities			
Government grants for tuition	1	3,189,693.75	3,164,120.80
Government grants for operations	2	9,968,263.40	9,120,890.00
Government grants for infrastructure	3	2,403,000.00	4,976,750.00
School fund income-parents contribution/fees	4B	13,500,649.00	15,696,224.00
Other income	5	59,500.00	40,000.00
Adjustment increase/Decrease of Debtors			(1,609,045.00)
Total receipts		29,121,106.15	31,388,939.80
Payments			
Cash outflows for tuition	6B	2,531,140.00	4,029,849.00
Cash outflows for operations	7B	10,112,184.00	8,932,775.00
Cash outflows for Boarding/ school fund payments	9B	12,814,352.22	13,628,182.58
Adjustment increase/Decrease of creditors			1,436,680.00
Total Payments		25,457,676.22	28,027,486.58
Net cash flow from operating activities		3,663,429.93	3,361,453.22
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			0.00
Acquisition of Assets	8B	(4,400,468.50)	(3,719,010.00)
Proceeds from investments		0.00	0.00
Net cash flows from Investing Activities		(4,400,468.50)	(3,719,010.00)
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(737,038.57)	(357,556.78)
Cash and cash equivalent at BEGINNING of the year		1,835,410.54	2,192,967.32
Cash and cash equivalent at END of the year		1,098,371.97	1,835,410.54

FLAMINGO SECONDARY SCHOOL

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

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2023
(CONTINUED)**

The school's financial statements were approved on 30th June 20.... and signed by:

<u>Prof. Robert Karimbi</u> Chairman, B.O.M.	<u>Aggrey Aggrey Ndagong</u> School Principal/ Secretary to BOM	<u>Margaret Macharia</u> Bursar/ Finance Officer
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Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>
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Date: <u>16.7.24</u>	Date: <u>16/07/2024</u>	Date: <u>16/7/2024</u>
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023

Receipt/Expense 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 %
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Exercise books	523,000.00	0.00	523,000.00	400,000.00	123,000.00	76.48%
Laboratory equipment and apparatus	696,766.00	0.00	696,766.00	650,000.00	46,766.00	93.29%
Teaching/learning materials	1,204,006.00	0.00	1,204,006.00	1,789,693.75	(585,687.75)	148.64%
Library materials	100,000.00	0.00	100,000.00	100,000.00	0.00	100.00%
Internal exams	647,250.00	0.00	647,250.00	250,000.00	397,250.00	38.62%
Reference books		0.00	0.00	0.00	0.00	
Sub totals	3,171,022.00	0.00	3,171,022.00	3,189,693.75	(18,671.75)	100.59%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
EWC	2,092,000.00		2,092,000.00	1,351,479.30	740,520.70	64.60%
LT @T	2,538,000.00		2,538,000.00	1,297,720.00	1,240,280.00	51.13%
RMI	1,000,000.00		1,000,000.00	1,046,000.00	(46,000.00)	104.60%
Personal emolument	2,811,408.00		2,811,408.00	3,470,631.20	(659,223.20)	123.45%
Admin cost	1,823,755.00		1,823,755.00	1,396,132.90	427,622.10	76.55%
Activity	699,200.00		699,200.00	601,000.00	98,200.00	85.96%
Medical and insurance				209,300.00	(209,300.00)	
Infrastructure Grant				596,000.00	(596,000.00)	
Sub totals	10,964,363.00		10,964,363.00	9,968,263.40	996,099.60	90.92%

FLAMINGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023**

(3) FDSE FOR INFRASTRUCTURE						
Maintenance and Improvement	6,000,000.00		6,000,000.00	2,403,000.00	3,597,000.00	40.05%
Transition infrastructure Grants			0.00	0.00	0.00	
Administration block			0.00	0.00	0.00	
Economic stimulus grants			0.00	0.00	0.00	
Others (NGCDF, County government)			0.00	0.00	0.00	
Sub total	6,000,000.00		6,000,000.00	2,403,000.00	3,597,000.00	40.05%
(4) FEES CHARGED ON PARENTS						
Boarding / Lunch programme	15,264,000.00	0.00	15,264,000.00	11,875,859.00	3,388,141.00	77.80%
Inter Account transfers Operations	-		0.00	0.00	0.00	
Fee Arrears			0.00	1,792,200.00	(1,792,200.00)	
Repairs and Maintenance			0.00		0.00	
Personal Emoluments			0.00	0.00	0.00	
LTT			0.00	0.00	0.00	
Activity			0.00		0.00	
EWC			0.00		0.00	
Admin costs			0.00		0.00	
Rent income			0.00		0.00	
Sub total	15,264,000.00	0.00	15,264,000.00	13,668,059.00	1,595,941.00	89.54%
(5) MISCELLANEOUS INCOME			0.00		0.00	
Rent income			0.00	0.00	0.00	
Income from farming activities			0.00	0.00	0.00	
Insurance compensation			0.00	0.00	0.00	

FLAMINGO SECONDARY SCHOOL

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

<i>Income from posho mill</i>			0.00	0.00	0.00	
<i>Income from bus hire</i>			0.00	59,500.00	(59,500.00)	
<i>Fee for hire of ground and equipment</i>			0.00	0.00	0.00	
<i>Income from grants and donations</i>			0.00	0.00	0.00	
<i>Interest income</i>			0.00		0.00	
<i>Loans/Borrowings</i>			0.00		0.00	
SUB TOTAL	-	0.00	0.00	59,500.00	(59,500.00)	
GRAND TOTAL INCOME	35,399,385.00	-	35,399,385.00	29,288,516.15	6,110,868.85	82.74%
(1) EXPENDITURE FOR TUITION			0.00		0.00	
Tuition			0.00	0.00	0.00	
Exercise books	523,000.00		523,000.00	610,500.00	(87,500.00)	116.73%
Laboratory equipment and apparatus	696,766.00		696,766.00	506,280.00	190,486.00	72.66%
Teaching/learning materials	1,204,006.00		1,204,006.00	486,247.00	717,759.00	40.39%
chalks	100,000.00		100,000.00	0.00	100,000.00	0.00%
Internal exams	647,250.00		647,250.00	0.00	647,250.00	0.00%
Reference / Library materials	60,000.00		60,000.00	59,250.00	750.00	98.75%
Bank charges	-		0.00	2,110.00	(2,110.00)	
Creditors			0.00	1,321,782.00	(1,321,782.00)	
sub totals	3,231,022.00	0.00	3,231,022.00	2,986,169.00	244,853.00	92.42%
PAYMENTS FOR OPERATIONS						
EWC	2,092,000.00		2,092,000.00	363,086.15	1,728,913.85	17.36%
LT @T	2,538,000.00		2,538,000.00	555,446.00	1,982,554.00	21.89%
RMI	1,000,000.00		1,000,000.00	709,885.00	290,115.00	70.99%

FLAMINGO SECONDARY SCHOOL

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

Personal emolument	2,811,408.00		2,811,408.00	3,242,520.85	(431,112.85)	115.33%
Admin cost	1,823,755.00		1,823,755.00	2,636,841.00	(813,086.00)	144.58%
Activity	699,200.00		699,200.00	1,843,525.00	(1,144,325.00)	263.66%
Medical and insurance			0.00			
Creditors	-		0.00	728,620.50	(728,620.50)	
Inter Account Borrowing-Lunch			0.00	0.00	0.00	
Bank charges	-		0.00	0.00	0.00	
lunch programme expense			0.00	0.00	0.00	
SUBTOTALS	10,964,363.00	0.00	10,964,363.00	10,079,924.50	884,438.50	91.93%
INFRASTRUCTURE PAYMENTS			0.00		0.00	
Construction of classrooms	6,000,000.00		6,000,000.00	5,249,492.50	750,507.50	87.49%
Construction of laboratory				0.00	0.00	
construction of dormitory			0.00	0.00	0.00	
Purchase of furniture			0.00	0.00	0.00	
Purchase of equipment			0.00	0.00	0.00	
Purchase of apparatus			0.00	0.00	0.00	
Drilling of boreholes			0.00	0.00	0.00	
SUBTOTALS	6,000,000.00	0.00	6,000,000.00	5,249,492.50	750,507.50	87.49%
BOARDING AND SCHOOL FUND PAYMENTS						
Activity			0.00	0.00	0.00	
Academic improvement			0.00	0.00	0.00	
Bus Expenses			0.00	10,000.00	(10,000.00)	
Farm expenses	-		0.00	0.00	0.00	
Bursary			0.00	0.00	0.00	

FLAMINGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023**

Inter-Account Borrowing-Operation			0.00	0.00	0.00	
Personnel emoluments			0.00	0.00	0.00	
Inter-Account Borrowing-Tuition			0.00		0.00	
Repairs and maintenance & Improvements	150,000.00		150,000.00	103,220.00	46,780.00	
Local transport / travelling			0.00	0.00	0.00	
Electricity and water			0.00	6,362.00	(6,362.00)	
Medical Expenses			0.00	0.00	0.00	
Administration costs/ Bank charges			0.00	7,841.50	(7,841.50)	
Fee on Boarding Equipment and Stores/ Lunch	15,114,000.00		15,114,000.00	12,746,680.72	2,367,319.28	84.34%
Creditors			0.00	533,328.00	(533,328.00)	
Uniform Account			0.00	0.00	0.00	
School Fund-002			0.00	0.00	0.00	
NHIF			0.00	0.00	0.00	
Damages			0.00	0.00	0.00	
NSSF			0.00	0.00	0.00	
SUBTOTALS	15,264,000.00	0.00	15,264,000.00	13,407,432.22	1,856,567.78	87.84%
TOTAL	35,459,385.00	0.00	35,459,385.00	31,723,018.22	3,736,366.78	89.46%

Comments on significant under- utilization and over-Utilization on vote heads

- Underutilization of vote heads was caused by in adequate funds.
- Overutilization of vote heads occurred due to significant increase in prices of items

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 school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

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. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

X. NOTES TO THE FINANCIAL STATEMENTS

1 GOVERNMENT GRANTS FOR TUITION

	2022-2023	2021-2022
	KSH	KSH
Tuition		
Exercise books	400,000.00	829,820.00
Laboratory equipment and apparatus	650,000.00	664,250.00
Teaching/learning materials	1,789,693.75	400,300.80
Library materials	100,000.00	
Internal exams	250,000.00	1,269,750.00
Reference books		
Total	3,189,693.75	3,164,120.80

2 GOVERNMENT GRANTS FOR OPERATIONS

	2022-2023	2021-2022
	KSH	KSH
EWC	1,351,479.30	1,520,129.00
LT @T	1,297,720.00	1,596,803.00
RMI	1,046,000.00	
Personal emolument	3,470,631.20	4,177,889.90
Admin cost	1,396,132.90	1,628,707.70
Activity	601,000.00	
Medical and insurance	209,300.00	197,360.40
Infrastructure Grant	596,000.00	
Other vote heads		
NHIF		
Total	9,968,263.40	9,120,890.00

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 GOVERNMENT GRANTS FOR INFRASTRUCTURE

	2022-2023	2021-2022
	KSH	KSH
Maintenance and Improvement	2,403,000.00	4,976,750.00
Transition infrastructure Grants		
Administration block		
Economic stimulus grants		
Others (NGCDF, County government)		
Total	2,403,000.00	4,976,750.00

4 SCHOOL FUND INCOME -PARENTS CONTRIBUTION/FEEES

	2022-2023	2021-2022
	KSH	KSH
Boarding / Lunch programme	11,875,859.00	15,696,224.00
Inter Account transfers Operations		
Fee Arrears	1,792,200.00	
Repairs and Maintenance		
Personal Emoluments		
LTI		
Activity		
EWC		
Admin costs		
Rent income		
Income from farming activities-farm		
Academic improvements		
Medical		
Income from Bus Hire		
Uniform		
NHIF		
Total	13,668,059.00	15,696,224.00

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4B. SCHOOL FUND INCOME - PARENTS CONTRIBUTION/FEEs

	2022-2023	2021-2022
	KSH	KSH
Boarding / Lunch programme	11,875,859.00	15,696,224.00
Arrears recovered during the year	1,882,600.00	
Prepayments received during the year	697,765.00	
Prepayments paid during the year	(955,575.00)	
Total	13,500,649.00	15,696,224.00

5 MISCELLANEOUS INCOMES

	2022-2023	2021-2022
	KSH	KSH
Infrastructure		
Rent income		
Income from farming activities		
Insurance compensation		
Income from posho mill		
Income from bus hire	59,500.00	40,000.00
Fee for hire of ground and equipment		
Income from grants and donations		
Interest income		
Loans/Borrowings		
Fee for hire of ground and equipment		
Total	59,500.00	40,000.00

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 TUITION PAYMENTS

	2022-2023	2021-2022
	KSH	KSH
Tuition		
Exercise books	610,500.00	750,000.00
Laboratory equipment and apparatus	506,280.00	1,234,346.00
Teaching/learning materials	486,247.00	1,441,703.00
chalks		
Reference / Library materials	59,250.00	
Internal exams		603,800.00
Inter account borrowing -Operations		
Bank charges	2,110.00	
Creditors	1,321,782.00	
Inter account borrowing -school fund		
	2,986,169.00	4,029,849.00

6B. TUITION PAYMENTS

	2022-2023	2021-2022
	KSH	KSH
Exercise books	610,500.00	750,000.00
Laboratory equipment's and apparatus	506,280.00	1,234,346.00
Teaching/learning materials	486,247.00	1,441,703.00
chalks		
Reference / Library materials	59,250.00	
Internal exams		603,800.00
Bank charges	2,110.00	
Creditors Paid during the year	866,753.00	
Total	2,531,140.00	4,029,849.00

FLAMINGO SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2023**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****7 OPERATIONS PAYMENTS**

	2022-2023	2021-2022
	KSH	KSH
EWC	363,086.15	347,483.00
LT @T	555,446.00	901,840.00
RMI	709,885.00	933,960.00
Personal emolument	3,242,520.85	3,247,452.00
Admin cost	2,636,841.00	2,364,979.00
Activity	1,843,525.00	1,077,329.00
Medical and insurance		3,100.00
Creditors	728,620.50	
NHIF		
Bank charges		56,632.00
TOTAL	10,079,924.50	8,932,775.00

7B. OPERATIONS PAYMENTS

	2022-2023	2021-2022
	KSH	KSH
EWC	363,086.15	347,483.00
LT @T	555,446.00	901,840.00
RMI	709,885.00	933,960.00
Personal emolument	3,242,520.85	3,247,452.00
Admin cost	2,636,841.00	2,364,979.00
Activity	1,843,525.00	1,077,329.00
Medical and insurance		3,100.00
Creditors Paid during the year	655,600.00	
Imprest - (pending)	105,280.00	
Bank Charges		56,632.00
TOTAL	10,112,184.00	8,932,775.00

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 INFRASTRUCTURE PAYMENT

	2022-2023	2021-2022
	KSH	KSH
Construction of classrooms	5,249,492.50	3,719,010.00
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Total	5,249,492.50	3,719,010.00

8B INFRASTRUCTURE PAYMENT

	2022-2023	2021-2022
	KSH	KSH
Construction of classrooms	3,690,398.50	3,719,010.00
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Repairs /Painting of classroom	337,680.00	
Creditors paid during the year	372,390.00	
Total	4,400,468.50	3,719,010.00

FLAMINGO SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2023**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****9 BOARDING AND SCHOOL FUND PAYMENTS**

	2022-2023	2021-2022
Activity		
Academic improvement		
Bus Expenses	10,000.00	64,000.00
Farm expenses		
Bursary		
Personnel emoluments		
Repairs and maintenance & Improvements	103,220.00	
Local transport / travelling		
Electricity and water	6,362.00	
Medical Expenses		
Administration costs/ Bank charges	7,841.50	
Fee on Boarding Equipment and Stores/ Lunch	12,746,680.72	13,564,182.58
Creditors	533,328.00	
Uniform Account		
TOTAL	13,407,432.22	13,628,182.58

9B BOARDING AND SCHOOL FUND PAYMENTS

	2022-2023	2021-2022
Activity		
Academic improvement		
Bus Expenses	10,000.00	64,000.00
Bursary		
Personnel emoluments		
Repairs and maintenance & Improvements	103,220.00	
Local transport / travelling		
Electricity and water	6,362.00	
Interest	(431,692.00)	
Administration costs/ Bank charges	7,841.50	
Fee on Boarding Equipment and Stores/ Lunch	12,746,680.72	13,564,182.58
Creditors paid during the year	371,940.00	
TOTAL	12,814,352.22	13,628,182.58

FLAMINGO SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2023**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		KSHS	KSHS
Tuition Account	Active	0102502106890 0	397,168.00	(261,385.75)
Operations Account	Active	1101670258	245,588.85	(363,184.55)
School Fund Account/Boarding	Active	1101640855	213,430.25	52,505.25
Savings Account		0124201961020 0	86,336.59	137,836.59
Infrastructural Account	Active	1262040477	153,295.50	2,236,764.00
Total			1,095,819.19	1,802,535.54

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	2,552.78	32,875.00
Total	2,552.78	32,875.00

12 Short Term Investments

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

FLAMINGO SECONDARY SCHOOL

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Accounts Receivable

Description	2022-2023	2021-2022
	KSH	KSH
Fees arrears	18,541,739.70	18,632,139.70
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)	47,193.00	373,605.00
Rent Arrears (list/schedule attached)		
Total	18,588,932.70	19,005,744.70

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,792,200.00		2,402,200.00	13%
Between 1- 2 years	2,402,200.00	13%	4,580,689.00	25%
Between 2-3 years	4,580,689.00	25%	11,649,250.70	63%
Over 3 years	9,766,650.70	53%		
Total (should tie to note 13 a)	18,541,739.70	90%	18,632,139.70	100%

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,192,830.50	2,654,369.00
Prepaid Fees	637,980.00	895,790.00
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	4,830,810.50	3,550,159.00

FLAMINGO SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2023**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****14a. Ageing Analysis of Accounts Payable**

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	ComparativeFY	% of the total
Less than 1 year	3,805,144.50	0.91	2,644,369.00	100%
Between 1- 2 years	387,686.00	9%	10,000.00	0%
Between 2-3 years				
Over 3 years				
Total(should tie to note 14)	4,192,830.50	100%	2,654,369.00	100%

15 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	1,802,536	2,189,405.32
Cash Balances	32,875	3,562.00
Short Term Investments		
Receivables	19,005,745	17,396,699.70
Payables	(3,550,159)	(4,986,839.00)
Total	17,290,996.24	14,602,828.02

FLAMINGO SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2023**Other important disclosure notes****16 Non-current Liabilities Summary**

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	-	-	-
Goats	-	-	-
Trees	106	106	106
Coffee Or Tea Plantation			
Poultry	-	-	-
Others (specify)	-	-	-
Total	-	-	-

18 Borrowings

Description	2022-2023	2021-2022
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
Balance at the end of the year		

Other important disclosure notes

19 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	-	-
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	-	-

FLAMINGO SECONDARY SCHOOL

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

20 Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

PRINCIPAL
FLAMINGO SECONDARY SCHOOL
P. O. Box 10308, NAKURU
TEL 0702098900
DATE: 16/7/24

FLAMINGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****Annexes****Annex I - Analysis of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Bidga Enterprise	461,414.00	1/7/2022		461,414.00		
2. Ryavo Investment Ltd	233,000.00	1/7/2022		233,000.00		
3. Abjadiec	527,000.00	1/7/2022		527,000.00		
Sub-Total	1,221,414			1,221,414		
Supply Of Goods						
4. Sophia N Kamau	9,790.0	1/7/2022		9,790.0		
5. Gilanis supermarket	308,586.00	1/7/2022		308,586.00		
6. Philip Cheptumo	102,080.00	1/7/2022		102,080.00		
7. Amazing Grace	37,872.00	1/7/2022		37,872.00		
8. Jayjay Timber	75,000.00	1/7/2022		75,000.00		
9. Rentokil Intials	19,940.50	1/7/2022		19,940.50		
10. Alliance Technologies	100,000.00	1/7/2022		100,000.00		
11. Twilight Furnitures	100,000.00	1/7/2022		100,000.00		
12. Marithioni	35,680.00	1/7/2022		35,680.00		

FLAMINGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. Lilisam Traders	328,700.00	1/7/2022		328,700.00		
14. Rahmat limited	144,300.00	1/7/2022		144,300.00		
15. Remo stationers	1,153,468.00	1/7/2022		1,153,468.00		
16. Tice AakachGalasky	504,200.00	1/7/2022		504,200.00		
17. Mercy W. Nganga	51,800.00	1/7/2022		51,800.00		
Sub-Total	2,971,416.5			2,971,416.5		
Grand Total	4,192,830.5			4,192,830.5		

FLAMINGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****Annex 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased	Location	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- 3Acres		BONDENI	-	-	-	-
Land 2	-	-	-	-	-	-
Buildings and structures – 1. 23 class rooms 2. 4 laboratories 3. 1 dining hall 4. 1 kitchen 5. 2 ablution blocks 6. 1 Administration block 7. 4 stores 8. 3 office blocks		FLAMINGO SEC SCHOOL				
Motor vehicles- 1 bus		FLAMINGO SEC SCHOOL				
Office equipment, furniture and fittings 1. 1200 lockers& chairs 2. 20 dining tables 3. 30 laboratory tables 4. 60 office desks 5. 100 forms 6. 180 stools 7. 10 cabinets 8. 5 shelves 9. 80 office chairs		FLAMINGO SEC SCHOOL				

FLAMINGO SECONDARY SCHOOL

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

Asset class	Date purchased	Location	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
ICT Equipment, and Other ICT Assets 1. 16 computers 2. 5 printers 3. 1 photocopier 4. 2 photo printers		FLAMINGO SEC SCHOOL				
Tools and apparatus 1. Lab tool / apparatus – 7458 pcs		FLAMINGO SEC SCHOOL				
Textbooks – 18,693 pcs		FLAMINGO SEC SCHOOL				
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware 1. SHACCS/ZERAKI		FLAMINGO SEC SCHOOL				
Total						