

REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

THE NATIONAL ASSEMBLY  
PAPER 1 AND

DATE: 30 NOV 2023

**OF**

TABLED  
BY:

CLERK-AT  
THE TABLE:

True  
Hon Naomi Wago, MP  
Deputy Majority Whip  
A. Shuburo

**THE AUDITOR-GENERAL**

**ON**

**NAMBALE BOYS HIGH SCHOOL**

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

**BUSIA COUNTY**



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***NAMBALE BOYS HIGH SCHOOL  
P.O BOX 23-50409  
NAMBALE***

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2022**

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

**NAMBALE BOYS HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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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 BUSIA County, NAMBALE Sub-County

The school was registered in 4/09/2015 under registration number 40S300000049 and is currently categorized as an extra county public school established, owned and operated by the Government.

The school is a boarding school and had 1309 numbers of students as at 30<sup>th</sup> June 2022. It has 07 streams and 50 teachers of which 16 teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

Ref:	Name of Board Member	Designation	Date of appointment
1	PROF. OKUMU W. BIGAMBO	Chairman	2022
2	MR. CHARLES HONGO	Secretary – Principal	2022
3	DR. ALICE MURWAYI	Member	2022
4	MS. PHYLLICE AMWAYI KASABDY	Member	2022
5	MR. COLLINS SEREDE	Member	2022
6	MR. JUSTUS OLWANDA	Member	2022
7	MR. BENARD SORE	Member	2022
8	DR. GEORGE KWEDHO	Member – Rep CEB	2022
9	MRS. LUCY WAYUA	Member Rep Teachers	2022
10	MR. JOTHAM MUTOKA, MRS. GRACE AHONO, PROF. OKUMU BIGAMBO	3 Members – Sponsor	2022
11	PRO. MARTIN ETYANG	Member – Community	2022
12	MS. GRACE AHONO	Member Special Needs	2022
	GABRIEL ONYANGO	Rep Students	2022

**The function of the School Board of Management includes:**

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

**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	PROF.OKUUMU BIGAMBO MR. CHARLES HONGO MR. ONANU EROBOI DR. KWEDHO GEORGE MRS. GRACE AHONO AMBOLE		3
2	Audit Committee	DR. ALICE LUNANI MURWAYI MS, MAUREEN WESONGA OMUSA MR. JONATHAN MUTOKA		3
3	Finance, procurement and general purposes Committee	DR.ENG. GEORGE KWEDHO MR. JOTHAM MUTOKA MR. COLLINS SEREDE CPA MARY ODONGO MR.ONANU		3

NAMBALE BOYS HIGH SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

		STEPHEN EROBOI	
4	Academic Committee	PROF. MARTIN ETYANG MRS.PHYLICE AMWAYI DR.FREDRICK JUMA ALICE LUNANI MURWAYI MR. JUSTUS OLWANDA	3
5	Development Committee	DR.KWEDHO GEORGE PROF. OKUMU BIGAMBO MR. CHARLES HONGO SCDE/CDE MR.ONANUEROBOI DR.ANDREW ECHESA D/PRINCIPAL. MR ALIWA	3
6	Discipline and welfare Committee	PROF. BENARD SORE MR.JUSTUS OLWANDA MR.COLLINS SEREDE DR.JOSEPH ANDREW ECHESA	3
7	Adhoc Committee (if any during the year)	N/A	

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	TOM M.O.AMADI	349924
2	Deputy Principal	STANELY WACHUDI	440911
3	School Bursar	JOHN MAUKO NGAO	

**(e) Schools contacts**

Post Office Box: 23-50409 NAMBALE  
 Telephone:  
 E-mail: nambaleboy@gmail.com  
 Website: N/A  
 Facebook:  
 Twitter:

**(f) School Bankers**

The following school operated 05 numbers of bank accounts in the following banks:

1. Name of Bank: NBK  
 Branch: BUSIA  
 Account Number: 01242036813601
2. Name of Bank: NBK  
 Branch: BUSIA  
 Account Number: 01025036813600
3. Name of Bank: NBK  
 Branch: BUSIA  
 Account Number: 01047036813600
4. Name of Bank: KCB  
 Branch: BUSIA  
 Account Number: 1105201392
5. Name of Bank: KCB  
 Branch: MUMIAS  
 Account Number: 1105201570

6. MPESA Pay Bill No. 522123 attached to 1105201392 bank account



*NAMBALE BOYS HIGH SCHOOL*  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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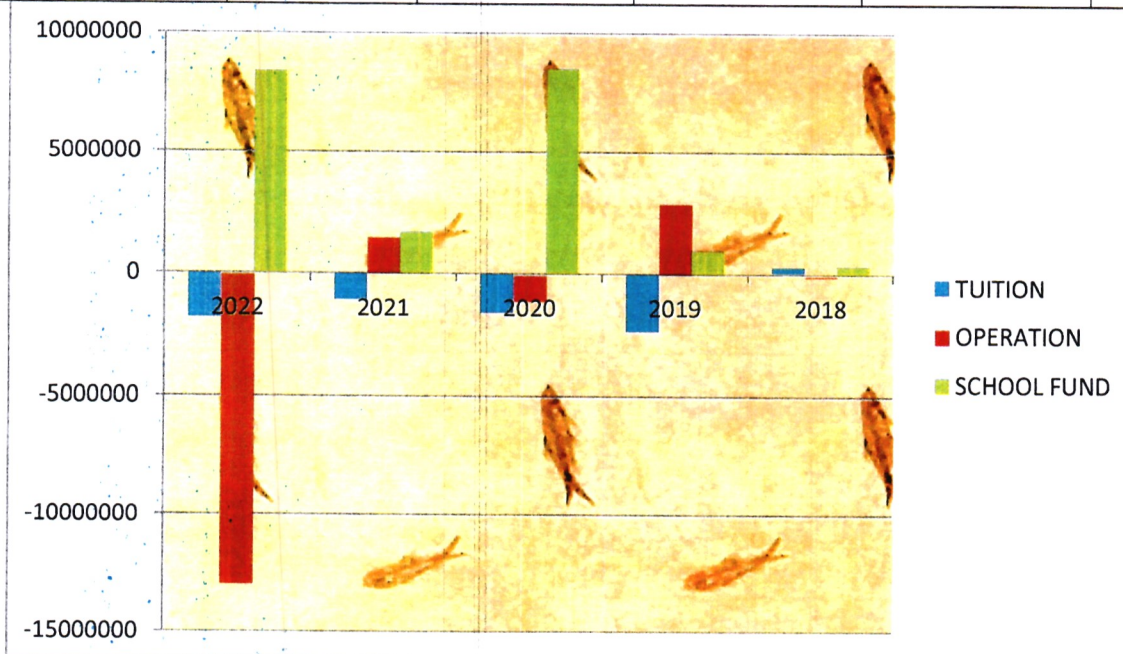
**(g) Independent Auditors**  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**II. Summary Report of Performance of the School**

**a) Financial performance:**

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

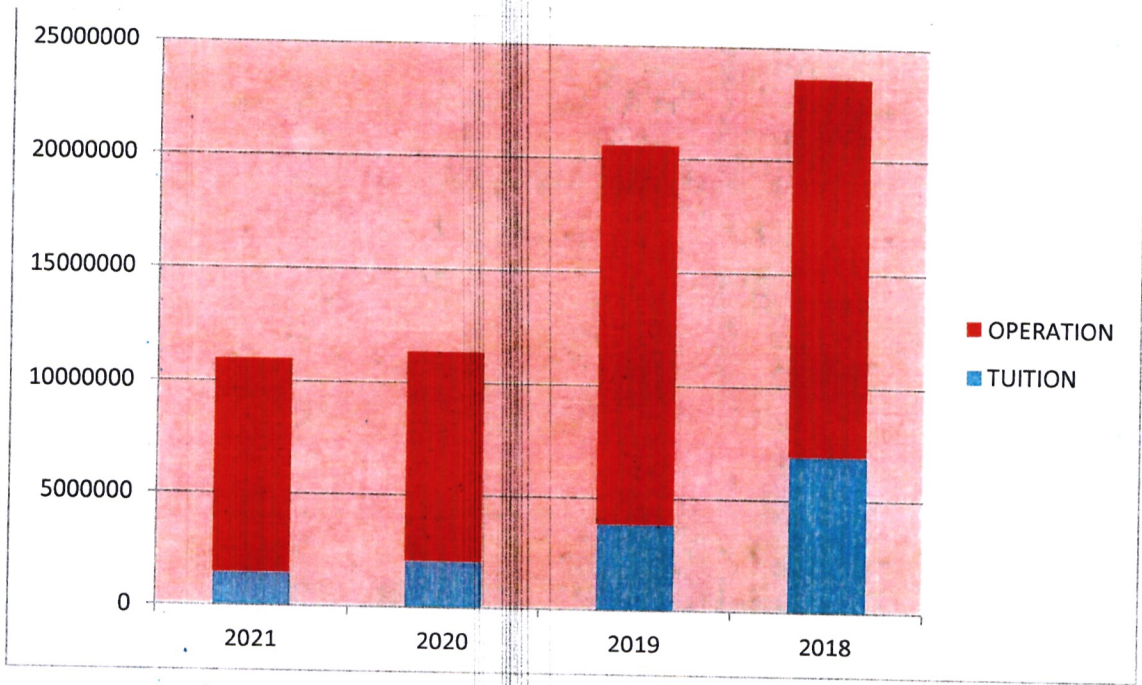
YEAR	2022	2021	2020	2019	2018
TUITION	(1,831,196)	(1,088,500)	(1624948.00)	(2385008.70)	253775.00
OPERATION	(12,942,311)	1,473,438	(1094126.20)	2908231.45	(85746.50)
SCHOOL FUND	8,389,844	1,688,786	8506164.16	947975.37	339012.34



- *Capitation grants from the Ministry of Education for the last three years*

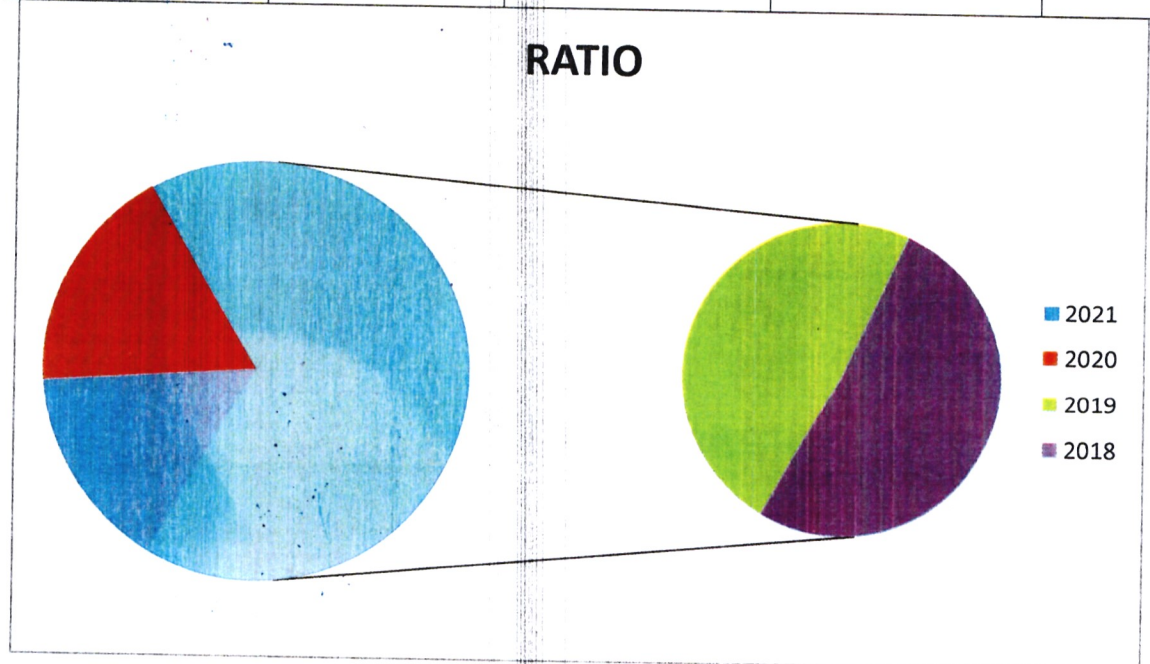
YEAR	2021	2020	2019	2018
TUITION	1,424,419	2009950.00	3805070.00	6928895.25
OPERATION	9,493,476	9290817.60	16717016.55	16692160.04
TOTAL	10,917,895	11300767.60	20522086.55	23621055.25

**NAMBALE BOYS HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**



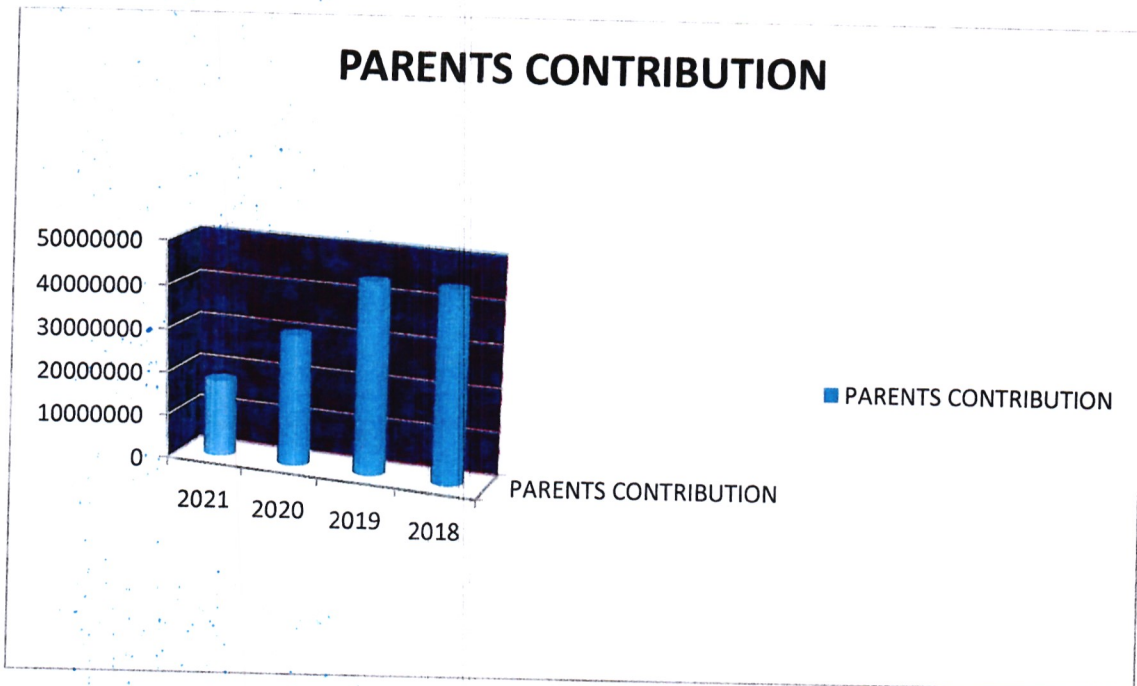
- *Ratio of capitation grant per student over the last three years*

YEAR	2021	2020	2019	2018
RATIO	8340.63	9417.00	17101.73	18170.04



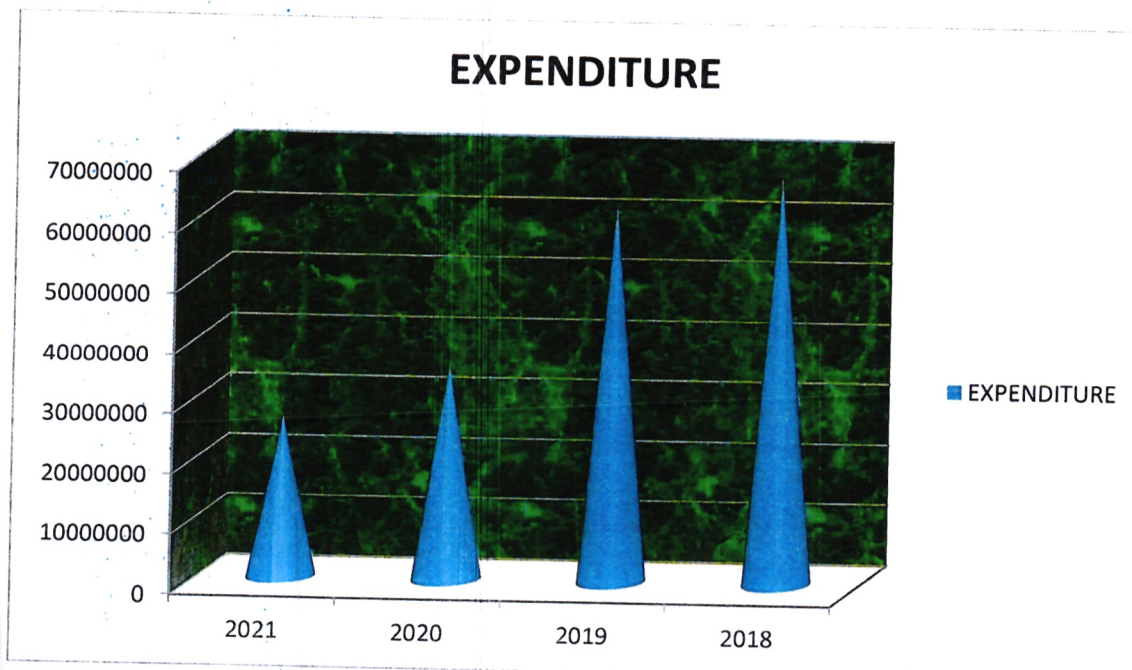
- *A three-year overview of growth of other income(s) earned by the school.*

YEAR	2021	2020	2019	2018
PARENTS CONTRIBUTION	17,596,152	30,187,921.67	44,051,566.00	44,050,599.00



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

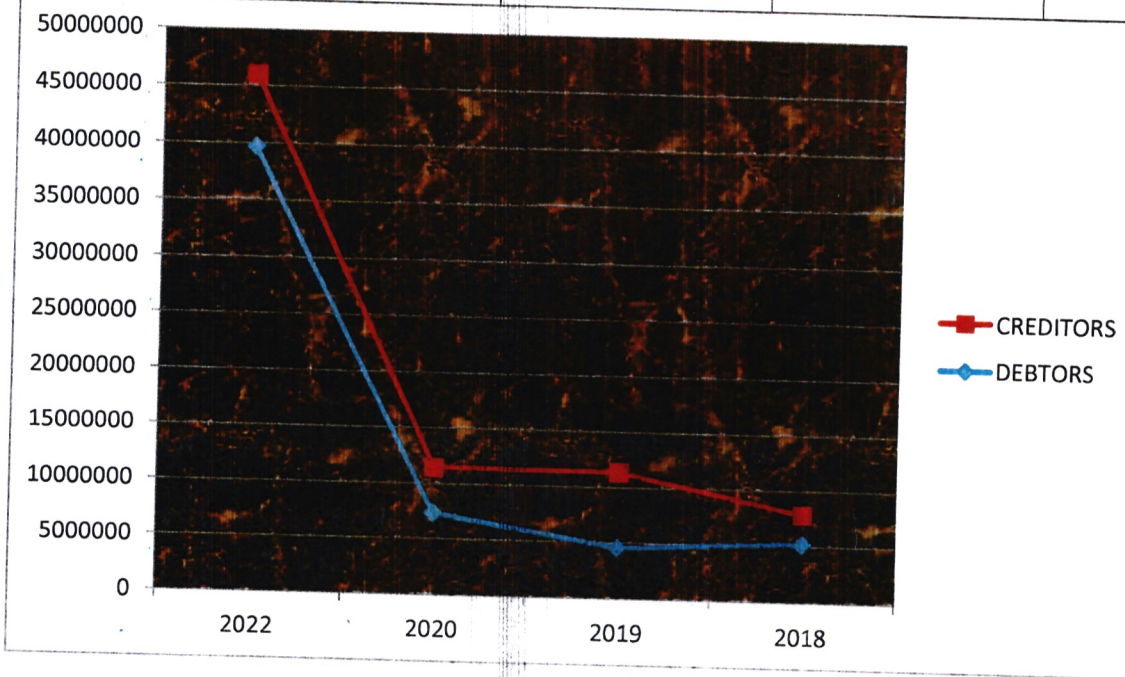
YEAR	2021	2020	2019	2018
EXPENDITURE	26,775,762	35,701,599.31	63,102,454.43	67,936,303.45



**NAMBALE BOYS HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

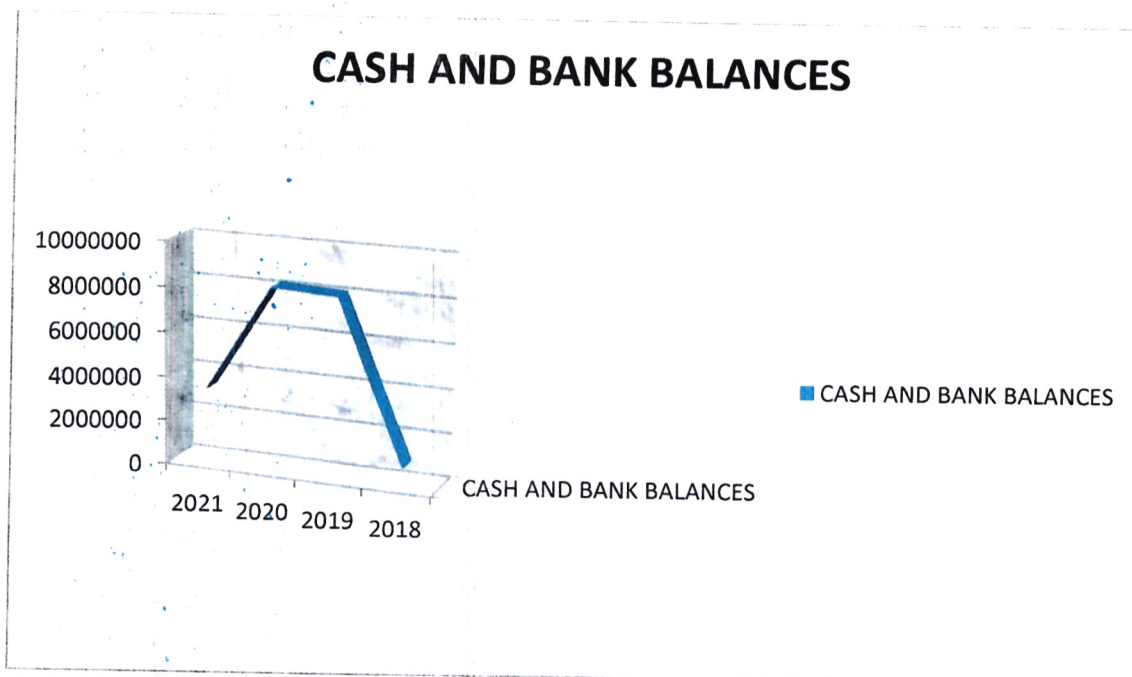
- *Movement of debtors and creditors of the school over the last three years*

YEAR	2021	2020	2019	2018
DEBTORS	39,686,776.74	7311506	4537332	5230838.00
CREDITORS	6,334,721.00	4193549.00	6864835.00	2644917.00



- *Movement of cash and bank balances over the last three years*

YEAR	2021	2020	2019	2018
CASH AND BANK BALANCES	3,356,669	8180499.97	8055145.80	850388.78



b) **Teacher Student ratio:**

<i>Teachers employed by TSC</i>	34
<i>Teachers employed by BOM</i>	16
<i>Teachers retired</i>	00
<i>Teachers posted</i>	00
<i>Teachers Transferred</i>	00
<i>Teachers to student ratio</i>	26: 1 teacher

c) **Mean score in the 2022 KCSE:**

YEAR	ENTRY	MEAN SCORE	MEAN GRADE	UNIVERSITY ENTRY
2022	262	5.6312	C	81
2021	250	5.616	C	71
2020	173	6.593	C+	86
2019	368	6.202	C	164

*NAMBALE BOYS HIGH SCHOOL*  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**d) Number of Candidates in the 2022 KCSE:**

<i>YEAR</i>	<i>CANDIDATES</i>
2022	262
2021	250
2020	173
2019	368

**e) Capacity of the school:**

<i>DINNING HALL</i>	<i>01</i>
<i>LAB</i>	<i>04</i>
<i>CLASSROOM</i>	<i>28</i>
<i>DORM</i>	<i>09</i>
<i>TOILETS</i>	<i>54 DOORS</i>
<i>KITCHEN</i>	<i>01</i>
<i>BATHROOMS</i>	<i>39 PCS</i>
<i>TEACHERS HOUSES</i>	<i>12</i>
<i>PLAY GROUND</i>	<i>02</i>
<i>SICK BAY</i>	<i>01</i>
<i>SCHOOL CANTEEN</i>	<i>01</i>

**NAMBALE BOYS HIGH SCHOOL**

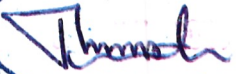
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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**Summary Report of the Performance of the School (Continued)**

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

<i>YEAR</i>	<i>NAME OF PROJECT</i>	<i>SOURCE OF FUNDING</i>	<i>INITIAL COST</i>	<i>AMOUNT PAID</i>	<i>BALANCE</i>	<i>STATUS OF PROJECT</i>
2022	Construction of 160 capacity dormitory	MOE	10495410.00	10495410.00	NILL	COMPLETED

  
NAMBALLE HIGH SCHOOL  
PRINCIPAL  
P.O. Box 23, 50409, NAMBALE

School Principal



**III. Statement of School Management Responsibility**

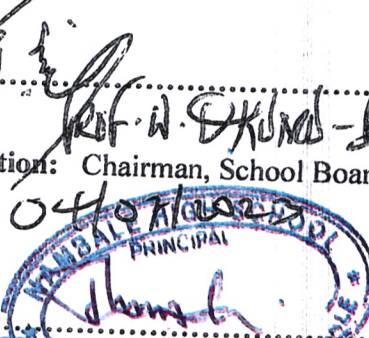
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

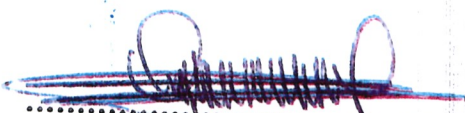
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *NAMBALE BOYS HIGH SCHOOL* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

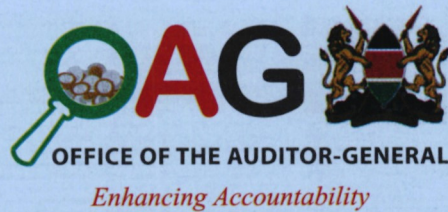
Name: *Prof. W. Okungu - Bigambo*  
Designation: Chairman, School Board of Management  
Date: *04/07/23*

  
Name: *Mr. Ouko Amasi*  
Designation: School Principal & Secretary to Board of Management  
Date: *04/07/23*

  
Name: *Mr. John M. Ngũgũ*  
Designation: Bursar/ Finance Officer  
Date: *04/07/23*

# 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 NAMBALE BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - BUSIA COUNTY**

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### **PREAMBLE**

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and overall 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 Nambale Boys High School - Busia County set out on pages 1 to 13, which comprise of the statement of financial assets

and financial liabilities as at 30 June, 2022, 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 Nambale Boys High School – Busia County as at 30 June, 2022, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The financial statements prepared and presented for audit had the following anomalies: -

##### **1.1 Unconfirmed Capitation Grants for Tuition and for Operations**

The statement of receipts and payments reflects an amount of Kshs.4,246,081 in respect of capitation grants for tuition and Kshs.18,574,588 in respect of capitation grants for operations. However, review of the receipt acknowledgements as per National Education Information System (NEMIS) Report revealed total receipts of Kshs.3,858,065 and Kshs.17,046,573 in respect of capitation grants for tuition and for operations, resulting in unexplained and unreconciled variance of Kshs.388,016 and Kshs.1,528,015 respectively.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations of Kshs.4,246,081 and Kshs.18,574,588 respectively, could not be confirmed.

##### **1.2 Parents Contributions (Fees)-School Fund Account**

The statement of receipts and payments and as disclosed in Note 3 to the financial statements, reflects school fund income-parents contributions receipts of Kshs.55,798,309. However, review of the automated receipts collection report summary revealed total collections of Kshs.78,618,978, resulting in unexplained and unreconciled variance of Kshs.22,820,669.

In the circumstances, the accuracy and completeness of receipts of Kshs.55,798,309 in respect of parents contributions (fees)-school fund account could not be confirmed.

### **1.3 Other Receipts-School Fund Account**

The statement of receipts and payments and as disclosed in Note 4 to the financial statements, reflects other receipts-school fund account of Kshs.1,962,005 in respect of the School canteen. However, review of the bank statements revealed deposits totalling Kshs.3,412,320, resulting to unexplained and unreconciled variance of Kshs.1,450,315.

In the circumstances, the accuracy and completeness of receipts of Kshs.1,962,005 in respect of other receipts-school fund account could not be confirmed.

### **1.4 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.47,082,785. However, the supporting schedule provided for audit reflects a balance of Kshs.29,224,664 resulting in unexplained and unreconciled variance of Kshs.17,858,121. Further, the aging analysis for fees arrears was not provided for audit. In addition, no evidence of efforts made by management to recover the long overdue fees arrears was provided for audit.

In the circumstances, the accuracy, completeness and recoverability of accounts receivable balance of Kshs.47,082,785 could not be confirmed.

### **1.5 Unsupported Accounts Payable**

The statement of financial assets and financial liabilities As disclosed in Note 12 to the financial statements, reflects accounts payable balance of Kshs.13,730,538 in respect of trade creditors. However, the supporting schedule provided was not aged and reflects a balance of Kshs.12,949,381 resulting in an unreconciled variance balance of Kshs.781,157. Further, review of fees records revealed prepaid fees amounting to Kshs.335,977 was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.13,730,538 could not be confirmed.

## **2. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities and as disclosed in Note 8 and Note 9 to the financial statements, reflects cash and cash equivalents balance of Kshs.3,996,800 which includes Kshs.3,974,572 and Kshs.22,228 in respect of bank and cash in hand balances respectively. However, the balances were not supported with monthly bank reconciliation statements and a board of survey report.

In the circumstances, the accuracy and completeness of the Cash and Cash equivalents balance of Kshs.3,996,800 in respect of cash and cash equivalents could not be confirmed.

### **3. Unsupported Board of Management Allowances and Transport Reimbursements**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects boarding and school fund payments of Kshs.59,390,475 which includes an amount of Kshs.1,810,200 in respect of local transport and travelling. Further, included in the expenditure is subsistence allowances and transport reimbursements paid to Board of Management of Kshs.904,000. However, the expenditure was not supported with signed Board minutes and attendance registers.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.904,000 in respect of Board of Management subsistence allowances could not be confirmed.

### **4. Unsupported Personnel Emoluments**

The statement of receipts and payments and as disclosed in Note 6 and Note 7 to the financial statements reflects amounts of Kshs.1,158,647 and Kshs.12,671,208 in respect of personnel emoluments, totalling to Kshs.13,829,855. However, supporting documents including payrolls and approved staff establishment were not provided for audit.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.13,829,855 in respect of personnel emoluments could not be confirmed.

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

### **Key Audit Matters**

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

### **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

#### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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. Unsupported Construction and Completion of a Dormitory**

The statement of receipts and payments as disclosed in Note 6 to the financial statements reflects payments for operations of Kshs.17,287,936 which includes an amount of Kshs.8,636,876 in respect of maintenance and improvements incurred on the construction and completion of a one hundred and sixty (160)-capacity dormitory. However, supporting documents including bills of quantities, inspection and acceptance committee appointment letters and reports were not provided for audit.

In the circumstances, value for money obtained from the expenditure on construction of the dormitory of Kshs.8,636,876 could not be confirmed.

### **2. Unsupported Procurement of Repairs and Maintenance Works.**

the statement of receipts and payments and as disclosed in Notes 7 to the financial statements, reflects an amount of Kshs.4,444,005 in respect of repairs maintenance and improvements. Further, the payment details provided for audit review included payments made to individuals, suppliers and contractors in respect of repairs maintenance and improvements of infrastructure. However, procurement records including work plans and appointment letters of the inspection and acceptance adhoc committee members and their reports were not provided for audit review.

In the circumstances, value for money obtained from the expenditure maintenance and improvement expenses of Kshs.4,444,005 could not be confirmed.

### **3. Unapproved Additional Fees Charged**

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects parents contribution fees-school fund account of Kshs.55,798,309 which includes an amount of Kshs.4,800,000 additional fees charged in respect of dormitory damages. However, no evidence of request for approval from the Ministry of Education on the additional fee charged was provided. This is contrary to the Ministry of Education Circular dated 9 August, 2021 which requires any school that desires to charge amounts above the stipulated fees to make a formal request to the Cabinet Secretary.

In the circumstances, Management was in breach of the Ministry of Education's guidelines on the charging additional fees.

### **4. Unapproved Budget**

The statement of budgeted versus actual amounts reflects final total income budget and actual on comparable basis of Kshs.99,123,000 and Kshs.80,580,984 respectively, resulting in an under-funding of Kshs.18,542,016 or 19% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.100,756,000 and Kshs.81,402,231 resulting in under-absorption of Kshs.19,353,769 or 19 % of the budget.

Further, the budget amounts presented were not supported with an approved budget, contrary to Regulation 31(1) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the Accounting Officer shall ensure that the draft estimates relating to his or her department are prepared in conformity with the Constitution, the Act and these Regulations. Further, The Accounting Officer is responsible, in particular for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his national government entity during the financial year. and the estimates are submitted to the National Treasury in the manner and format to be issued by the Cabinet Secretary.

In the circumstances, the under-funding and under-absorption affected the planned activities and may have impacted negatively on service delivery to the public and the Management was in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015 based on the audit procedures performed, except for the matters described in Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections 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 Risk Management Policy**

Review of documents and records provided for audit revealed that the School did not have Risk Management Policy that will ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, Management may not effectively identify risks and develop mitigating strategies.

#### **2. Lack of Approved Information Technology Security Policy**

Review of the School's Information Technology Systems revealed that the School did not have an approved IT Policy for governance and management of its ICT resources. Further, there

was no ICT Steering Committee in place to assist in the development of ICT Policy framework to enable the School to realize long-term ICT strategic goals. Lack of an approved IT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the School's ICT assets. In addition, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

In the circumstances, the School may be exposed to financial and data losses.

### **3. Inconsistencies Between National Education Management Information System (NEMIS) the School's Manual Enrolment Register**

Review of the National Education Management Information System (NEMIS) report and the School's manual enrolment register for the year under review revealed inconsistencies in respect of the number of students captured in the two registers with the number of students captured in NEMIS being lower than the number in the School's manual register. As a result, the variances resulted in under-funding by Kshs.2,388,317.

In the circumstances, effectiveness of internal controls over student enrolment data 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 control, 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 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

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


Because of its inherent limitations, internal control 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 judgement and maintain professional skepticism throughout the audit. I also:

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

  
 CPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**13 October, 2023**

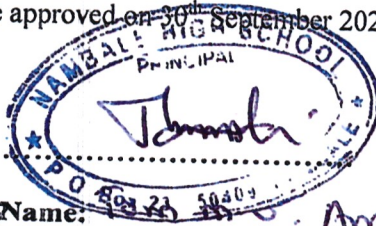
**NAMBALE BOYS HIGH SCHOOL**

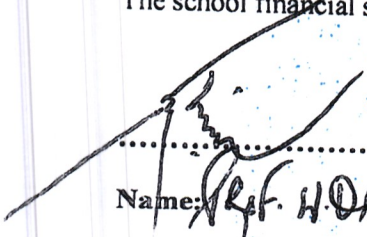
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

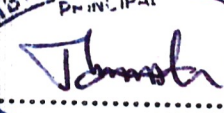
**V. Statement of Receipts and Payments Period to 30<sup>th</sup> June 2022**


Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts</b>			
Capitation grants for tuition	1	4,246,081	1,424,418
Capitation grants for operations	2	18,574,588	8,928,616
School fund income- parents' contributions	3	55,798,309	21,131,962
School fund income- other receipts	4	1,962,005	553,756
Proceeds from borrowings			
<b>Total Receipts</b>		<b>80,580,984</b>	<b>32,038,752</b>
<b>Payments</b>			
Payments for tuition	5	4,723,820	1,635,020
Payments for operations	6	17,287,936	8,962,192
Boarding and school fund payments	7	59,390,475	18,267,794
<b>Total Payments</b>		<b>81,402,231</b>	<b>28,865,006</b>
<b>Surplus/Deficit</b>		<b>(821,247)</b>	<b>3,173,746</b>

The school financial statements were approved on 30<sup>th</sup> September 2022 and signed by:



  
 Name: Ref. H. O. Ochieng  
 Chair BOM  
 Date: 04/07/23

  
 Name: Amadi  
 School Principal/ Secretary to BOM  
 Date: 04/07/23

  
 Name: Git Jay M. Muto  
 Bursar/ Finance Officer  
 Date: 04/07/23

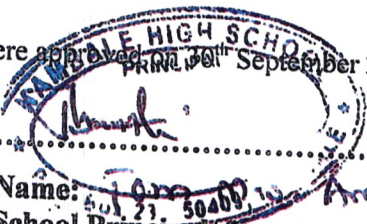
**NAMBALE BOYS HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**


**VI. Statement of Financial Assets and Financial Liabilities as At 30<sup>th</sup> June 2022**

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	3,974,572	4,806,701
Cash balances	9	22,228	11,346
Short term investment	10	-	-
<b>Total cash and cash equivalent</b>		<b>3,996,800</b>	<b>4,818,047</b>
Account's receivables	11	47,082,785	39,351,339
<b>Total financial assets</b>		<b>51,079,585</b>	<b>44,169,386</b>
<b>Financial liabilities</b>			
Accounts payables	12	13,730,589	7,737,743
<b>Net financial assets</b>		<b>37,348,996</b>	<b>36,431,643</b>
<b>Represented by</b>			
Accumulated fund b/fwd	13	38,170,243	33,257,897
Surplus/deficit for the year		(821,247)	3,173,746
<b>Net financial position</b>		<b>37,348,996</b>	<b>36,431,643</b>

The school's financial statements were approved on 30<sup>th</sup> September 2022 and signed by:

Name: *Prof. W. Othman*  
 Chair BOM  
 Date: *24/07/22*

  
 Name: *J. Othman*  
 School Principal/ Secretary to BOM  
 Date: *24/07/23*

  
 Name: *CPA JOHN M. MATHO*  
 Bursar/ Finance Officer  
 Date: *24/07/22*

**NAMBALE BOYS HIGH SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**VII. Statement of Cash Flows for the Period Ended 30<sup>th</sup> June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Operating activities</b>			
<b>Receipts</b>			
Capitation grants for tuition	1	4,246,081	1,424,418
Capitation grants for operations	2	18,574,588	8,928,616
School fund income- parents contributions/ fees	3	55,798,309	21,131,962
School fund income- other receipts	4	1,962,005	553,756
<b>Total receipts</b>		<b>80,580,984</b>	<b>32,038,752</b>
<b>Payments</b>			
Payments for tuition	5	4,723,820	1,635,020
Payments for operations	6	17,287,936	8,962,192
Boarding and school fund payments	7	59,390,475	18,267,794
<b>Total payments</b>		<b>81,402,231</b>	<b>28,865,006</b>
<b>Net cash flow from operating activities</b>		<b>(821,247)</b>	<b>3,173,746</b>
<b>Cash flow from investing activities</b>			
Proceeds from sale of assets			
Acquisition of assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from investing activities</b>		<b>(821,247)</b>	<b>3,173,746</b>
<b>Cash flow from borrowing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>(821,247)</b>	<b>3,173,746</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>4,818,047</b>	<b>1,644,301</b>
<b>Cash and cash equivalent at end of the year</b>		<b>3,996,800</b>	<b>4,818,047</b>

NAMBALE BOYS HIGH SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

VIII. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30<sup>th</sup> June 2022

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
<b>Receipts</b>						
<b>(1) Capitation Grant on Tuition</b>						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / learning materials	6,230,000	-	6,230,000	4,246,081	1,983,919	68%
Chalks						
Exams and assessment						
reference/Library						
<b>Sub total</b>	<b>6,230,000</b>	<b>-</b>	<b>6,230,000</b>	<b>4,246,081</b>	<b>1,983,919</b>	<b>68%</b>
<b>(2) Capitation Grant on Operations</b>						
Personnel emoluments	7,481,000	-	7,481,000	3,876,442	3,604,558	52%
Repairs and maintenance	6,860,000	-	6,860,000	6,729,750	130,250	98%
Local transport / travelling	2,383,000	-	2,383,000	673,829	1,709,171	28%
Electricity and water	4,650,000	-	4,650,000	5,141,416	(491,416)	111%
Medical	2,599,000	-	2,599,000	-	2,599,000	0%
Administration costs	2,500,000	-	2,500,000	2,153,151	346,849	86%
Activity						
Gratuity						
<b>Sub total</b>	<b>26,473,000</b>	<b>-</b>	<b>26,473,000</b>	<b>18,574,588</b>	<b>7,898,412</b>	<b>70%</b>
<b>(3) Fees Charged on Parents</b>						
Personnel emoluments	6,800,000	-	6,800,000	4,834,318	1,965,682	71%
Repairs and maintenance	4,500,000	-	4,500,000	4,397,986	102,014	98%

NAMBALE BOYS HIGH SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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
Local transport / travelling	2,850,000	-	2,850,000	1,149,492	1,700,508	40%
Electricity and water	7,370,000	-	7,370,000	8,294,337	(924,337)	113%
Medical	-		-			
Administration costs	5,350,000	-	5,350,000	3,622,331	1,727,669	68%
Activity	950,000	-	950,000	797,767	152,233	84%
Dorm Damages	-			4,800,000	(4,800,000)	0%
Fee on Boarding Equipment and Stores	38,600,000	-	38,600,000	27,902,078	10,697,922	72%
<b>Sub total</b>	<b>66,420,000</b>	<b>-</b>	<b>66,420,000</b>	<b>55,798,309</b>	<b>10,621,691</b>	<b>84%</b>
<b>Other Income</b>						
School canteen				1,962,005		
Income From Farming Activities						
<b>GRAND TOTAL INCOME</b>	<b>99,123,000</b>	<b>-</b>	<b>99,123,000</b>	<b>80,580,984</b>	<b>18,542,016</b>	<b>81%</b>
<b>(1) Expenditure For Tuition</b>						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment				50,000		
Internal Exams						
Teaching / learning materials	6,230,000	-	6,230,000	4,672,800	1,557,200	75%
Bank charges				1,020		
Exams and assessment reference/Library						
<b>Sub total</b>	<b>6,230,000</b>	<b>-</b>	<b>6,230,000</b>	<b>4,723,820</b>	<b>1,557,200</b>	<b>76%</b>
<b>(2) Expenditure For Operations</b>						
Personnel emoluments	7,481,000	-	7,481,000	1,158,647	6,322,353	15%
Repairs and maintenance	6,860,000	-	6,860,000	8,636,876	(1,776,876)	126%
ELIMU				172,040	(172,040)	0%

NAMBALE BOYS HIGH SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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
Bank Charges				17,201	(17,201)	0%
NSSF	-	-	-	223,974	(223,974)	0%
PAYEE	-	-	-	15,711	(15,711)	0%
NHIF	-	-	-	77,550	(77,550)	0%
NANOTA	-	-	-	190,900	(190,900)	0%
Creditors				1,237,501	(1,237,501)	0%
Local transport / travelling	2,383,000	-	2,383,000	431,300	1,951,700	18%
Electricity and water	4,650,000	-	4,650,000	2,222,570	2,427,430	48%
Medical	2,599,000	-	2,599,000	643,141	1,955,859	25%
Administration costs	2,500,000	-	2,500,000	2,125,275	374,725	85%
Activity	1,633,000	-	1,633,000	135,250	1,497,750	8%
<b>Sub total</b>	<b>28,106,000</b>	<b>-</b>	<b>28,106,000</b>	<b>17,287,936</b>	<b>10,818,064</b>	<b>62%</b>
<b>(3) Expenditure For School Fund</b>						
Personnel emoluments	6,800,000	-	6,800,000	12,671,208	(5,871,208)	186%
Repairs, maintenance and improvements	4,500,000	-	4,500,000	4,444,005	(1,821,245)	140%
Local transport / travelling	2,850,000	-	2,850,000	1,810,200	1,039,800	64%
Electricity, water and conservancy	7,370,000	-	7,370,000	2,551,955	4,818,045	35%
Bank Charges				35,155	(35,155)	
Nanota				741,200	(741,200)	
Elimu				966,438	(966,438)	
Refund				112,130	(112,130)	
Creditors				872,270	(872,270)	
NSSF				707,382	(707,382)	
PAYE				47,133	(47,133)	
NHIF				242,900	(242,900)	
Advance				405,000	(405,000)	
Medical Expenses	-		-	768,950	(768,950)	
Administration costs	5,350,000	-	5,350,000	2,660,709	1,689,291	68%
Activity	950,000	-	950,000	722,100	950,000	0%
Gratuity				170,550		



NAMBALE BOYS HIGH SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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
Nambale sec acc 2				2,159,010		
Boarding Equipment and Stores	38,600,000	-	38,600,000	27,302,180	10,575,720	73%
<b>Sub total</b>	<b>66,420,000</b>	<b>-</b>	<b>66,420,000</b>	<b>59,390,475</b>	<b>9,359,085</b>	<b>89%</b>
<b>GRAND TOTAL</b>	<b>100,756,000</b>	<b>-</b>	<b>100,756,000</b>	<b>81,402,231</b>	<b>21,734,349</b>	<b>80.8%</b>

- i. Under income there was underfunding in most votes heads.
- ii. Under expenditure there was underutilization in some of the vote heads.
- iii. NB The difference between the actual expenditure and income is as a result of changing financial year from January to December since IPSAS was introduced late in October and the budget had already been approved.

## IX. Significant Accounting Policies

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**Significant Accounting Policies (Continued)**

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or A/E 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 30<sup>th</sup> June 2022.

**NAMBALE BOYS HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**X. Notes to the Financial Statements**

**1 Capitation Grant for Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	4,246,081	1,424,418
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
<b>Total</b>	<b>4,246,081</b>	<b>1,424,418</b>

**2 Capitation Grant for Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,876,442	2,028,487
Maintenance and Improvement	6,729,750	4,097,750
Local transport / travelling	673,829	576,399
Electricity and water	5,141,416	1,279,659
Medical		
Administration costs	2,153,151	946,321
Activity		-
<b>Total</b>	<b>18,574,588</b>	<b>8,928,616</b>

**3 Parents Contribution/Fees - School Fund Account**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	4,834,318	1,433,805
Fee on Boarding Equipment and Stores	27,902,078	11,087,792
Maintenance and Improvement	4,397,986	1,235,552
Local transport / travelling	1,149,492	310,686
Electricity and water	8,294,337	1,923,372
Fees arrears recovered	-	3,789,136
Dorm Damages	4,800,000	
Administration costs	3,622,331	1,229,285

NAMBALE BOYS HIGH SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Description	2021-2022	2020-2021
	Kshs	Kshs
Activity	797,767	122,334
<b>Total</b>	<b>55,798,309</b>	<b>21,131,962</b>

4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Fee On Boarding Equipment and Stores	-	-
School canteen	1,962,005	553,756
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
<b>Total</b>	<b>1,962,005</b>	<b>553,756</b>

5 Payments for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	50,000	-
Internal Exams	-	-
Teaching / Learning Materials	4,672,800	1,635,020
Stationery	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	1,020	-
<b>Total</b>	<b>4,723,820</b>	<b>1,635,020</b>

*NAMBALE BOYS HIGH SCHOOL*

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**6 Payments for Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,158,647	2,821,908
Service Gratuity	-	
Administration Cost	2,125,275	982,574
Maintenance and Improvement	8,636,876	1,092,900
Local transport / travelling	431,300	51,500
Electricity and water	2,222,570	972,970
Activity Expenses	135,250	
NSSF	223,974	308,055
PAYEE	15,711	20,579
NHIF	77,550	80,450
NANOTA	190,900	422,000
Creditors	1,237,501	1,552,000
ELIMU	172,040	304,500
Medical & Insurance Cost	643,141	351,676
Bank Charges	17,201	1,080
<b>TOTAL</b>	<b>17,287,936</b>	<b>8,962,192</b>

7 Boarding and School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	12,671,208	821,621
Maintenance & Improvements	4,444,005	1,030,780
Local transport / travelling	1,810,200	1,107,790
E.W.C	2,551,955	669,690
Medical Expenses	768,950	
Administration costs	2,660,709	923,600
Bank Charges	35,155	29,036
Fee on Boarding Equipment and Stores	27,302,180	10,465,851
Nambale sec acc 2	2,159,010	
Nanota	741,200	252,000
Elimu	966,438	131,675
Refund	112,130	47,283
School canteen		480,000
Creditors	872,270	1,251,935
Gratuity	170,550	
NSSF	707,382	117,516
Activity	722,100	8,000
Motor vehicle		840,191
PAYE	47,133	840,191
NHIF	242,900	50,200
Advance	405,000	36,000
<b>TOTAL</b>	<b>59,390,475</b>	<b>18,267,794</b>

Notes to the Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account		415,383	25,022
Operations Account		129,644	1,874,146
School Fund Account/Boarding		1,983,727	1,449,175
Saving Account		298,935	-
School canteen account		846,861	99,674
Parent Association Development Account			
Income Generating Activities Account			
Infrastructural Account		300,022	1,358,684
<b>Total</b>		<b>3,974,572</b>	<b>4,806,701</b>

9 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	5,607	1,807
School Fund account	16,621	9,539
<b>Total</b>	<b>22,228</b>	<b>11,346</b>

10 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**11 Accounts Receivable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	47,082,785	39,351,339
NHIF	-	-
NHIF	-	-
N.S.S.F	-	-
<b>Total</b>	<b>47,082,785</b>	<b>39,351,339</b>

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	9,928,284	4,336,681
Fees Arrears For The Previous Year	1,804,405	6,497,337
Fees Arrears For Prior Periods (Over Two Years)	35,350,096	28,517,321
<b>Total</b>	<b>47,082,785</b>	<b>39,351,339</b>

**12 Accounts Payable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	13,730,589	6,334,721
Prepaid fees	-	1,403,022
NHIF	-	-
<b>Total</b>	<b>13,730,589</b>	<b>7,737,743</b>

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	13,730,589	6,334,721
Trade Creditors for The Previous Year	-	-
Trade Creditors for Prior Periods (Over Two Years)	-	-
<b>Total</b>	<b>13,730,589</b>	<b>6,334,721</b>

**13 Fund Balance Brought Forward**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	4,806,701	1,632,745
Cash Balances	11,346	11,556
Short Term Investments	-	-
Receivables	39,686,777	35,828,827
Payables	(6,334,581)	(4,215,231)
<b>Total</b>	<b>38,170,243</b>	<b>33,257,897</b>

**14 Non-current Liabilities Summary**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**15 Biological assets**

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Piglet	04	4000	
Pigs	10	50,000	
Trees	150	150,000	150,000
Coffee Or Tea Plantation			-
Poultry	50	25,000	-
<b>Total</b>	<b>64</b>	<b>229,000</b>	<b>150,000</b>

**16 Borrowings**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>

17 Stock/ Inventory

Description	2020-2021	2019-2020
	Kshs	Kshs
<b>b) Inventory</b>		
Stock/ inventory at beginning of the year	2,159,996	-
Stock/ inventory purchased during the year	49,562,166	17,596,152
Stock/ inventory issued during the year	49,962,166	15,436,156
<b>Balance at end of the year</b>	<b>1,756,996</b>	<b>2,159,996</b>

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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 A K shs	Date Contracted b K shs	Amount Paid To- Date C K shs	Outstanding Balance 2022 d-a-c K shs	Outstanding Balance 2022-1 K shs	Comments
<b>Construction Of Buildings</b>						
1. N/A						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
4. EQUITY GROUP FOUNDATION	20218	N/A	0	20218	20218	
5. DETAS ENGINEERING WORKS	735000	N/A	0	735000	735000	
6. DAP MEDIA	84390	N/A	0	84390	84390	
7. BURBS TAILORING	290450	N/A	0	290450	290450	
8. LEONARD OPILI	444560	N/A	0	444560	444560	
9. PASCAL OMUSA	119240	N/A	0	119240	119240	
10. CAROLYNE NAKHABI KAFWA	250000	N/A	0	250000	250000	
11. QUINTON INVESTMENTS	375000	N/A	0	375000	375000	
12. LENA ONDERE OMINA	25000	N/A	0	25000	25000	
13. DRAWILE ENTERPRISES	418000	N/A	0	418000	418000	
14. LINET AGOLA OUMA	36000	N/A	0	36000	36000	

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Supplier Of Goods Or Services	Original Amount	Date Contracte d	Amount Paid To- Date	Outstanding Balance 2022	Outstanding Balance 2022-1	Comments
15. IMMACULATE WANDERA	12000	N/A	0	12000	12000	
16. JUKTEL CONTRACTORS LTD	397750	N/A	0	397750	397750	
17. JULIA MAERO	34300	N/A	0	34300	34300	
18. REGINA SHISOKA OTINGA	135360	N/A	0	135360	135360	
19. LIVINGSTONE WAIYAKI	64450	N/A	0	64450	64450	
20. RUAB AGENCIES	188000	N/A	0	188000	188000	
21. SOLVENT ENTERPRICES	80000	N/A	0	80000	80000	
22. PYRAMID CONSULTANT	80000	N/A	0	80000	80000	
23. JAO RAPHE MEDICAL DIAGNOSTIC	100450	N/A	0	100450	100450	
24. MASACO ENTERPRICES	433938	N/A	0	433938	433938	
25. JAMES OK WERO	185000	N/A	0	185000	185000	
26. JUKTEL CONTRACTORS	405800	N/A	0	405800	405800	
27. LITEMORE LIMITED	116000	N/A	0	116000	116000	
28. KISUMU JUMO ENTERPRISES	122710	N/A	0	122710	122710	
29. KISUMU MODERN ELECTRICALS	202100	N/A	0	202100	202100	
30. KISCEN ENTERPRISES	135250	N/A	0	135250	135250	
31. JAO RAPHAMEDICAL LAB	380300	N/A	0	380300	380300	
32. DINUBAR MUSIC AIR	204000	N/A	0	204000	204000	
33. CYBERCAPE DEVELOPMENT OF KENYA	47500	N/A	0	47500	47500	
34. JAMES OKWERO	81872	N/A	0	81872	81872	
35. KISUMU JUNO ENTERPRISES	15530	N/A	0	15530	15530	

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022-1	Comments
36. KISUMU EQUIPMENT &SCH SUPPLIES	834279	N/A	0	834279	834279	
37. DAHJOHN ENTERPRISES	687300	N/A	0	687300	687300	
38. MASTER TECH. COMPUTERS & STATIONARY	977500	N/A	0	977500	977500	
39. JAVENTEX ENTERPRISES	705440	N/A	0	705440	705440	
40. HUMPHREY ROUKES OMORO	210100	N/A	0	210100	210100	
41. GLOBAL KISWAHILI EXPERTS	75000	N/A	0	75000	75000	
42. EVERLENCA CO LTD	1960180	N/A	0	1960180	1960180	
43. MOSEJE LTD	146551	N/A	0	146551	146551	
44. PURVE SALES	592100	N/A	0	592100	592100	
45. WINCOX GENERAL CONTRACTORS CO LTD	540763	N/A	0	540763	540763	
<b>Supply Of Services</b>						
46. N/A						
47.						
48.						
<b>Sub-Total</b>	<b>13,730,589</b>	N/A		<b>13,730,589</b>	<b>13,730,589</b>	
<b>Grand Total</b>	<b>13,730,589</b>	N/A		<b>13,730,589</b>	<b>13,730,589</b>	



**NAMBALE BOYS HIGH SCHOOL**  
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**Annex 2 – Summary of Fixed Assets Register**

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land 1	1979-2021	NAMBALE	16,610,000	0	0	16,610,000
Land 2						
Buildings And Structures	1979-2022	NAMBALE	158,890,000	0	0	158,890,000
Motor Vehicles	2014	NAMBALE	6,345,000	0	0	6,345,000
Office Equipment, Furniture And Fittings	1990-2022	NAMBALE	5,000,000	0	0	5,000,000
ICT Equipment, And Other ICT Assets	2000-2022	NAMBALE	4,000,000	0	0	4,000,000
Tools And Apparatus	1990-2022	NAMBALE	6,000,000	0	0	6,000,000
Textbooks	1990-2022	NAMBALE	17,000,000	0	0	17,000,000
Generator	2018	NAMBALE	843,000	0	0	843,000
Grinding mill	2019	NAMBALE	157,000	0	0	157,000
Intangible Assets- Soft Ware				0	0	
<b>Total</b>	1979-2022	NAMBALE	198,235,000	0	0	198,235,000