

REPUBLIC OF KENYA



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REPORT

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THE AUDITOR-GENERAL

ON

FLAMINGO SECONDARY SCHOOL

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

NAKURU COUNTY

NATIONAL ASSEMBLY RECEIVED
09 NOV 2024
DEPUTY CLERK J.W.N P. O. Box 41842 - 00100, NAIROBI



**FLAMINGO SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

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FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30th June 2021

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 Nauru County, Nauru East Sub-County

The school was registered in 3RD AUG 2017 under registration number Rag no. 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 900 number of students as at 30th June 2021 has 4 streams and teachers of which 2 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref.	Name of Board Member	Designation	Date of appointment
1.	Pro. Robert Gesimba	Chairman	14th May, 2019
2.	Mr. Aggrey A. Ndagona	Secretary- Principal	8th Sept, 2020
3.	Kennedy Onyango Abuja	Member	14th May, 2019
4.	Chiteri Arizerly James	Member	14th May, 2019
5.	Madam Johra Said Ali	Member	14th May, 2019
6.	Madam Winnie Oyaró	Member	14th May, 2019
7.	Mr. Robert Moita	Member	14th May, 2019
8.	Mr. Henry Owidhi Jananga	Member – Rep CEB	14th May, 2019
9.	Dr. David Turuthi	Teachers- Rep	23rd Dec , 2020
	1) Winnie Akinyi Oyaró 2) Janet Chemutai Bii 3) Carlyne Kamaita	3 Members – Sponsor	14th May , 2019
13.	Rev Benson Kingoro	Member - Community	14th May , 2019
14.	Cecilia Kimani	MemberSpecial Needs	14th May , 2019
15.	Isaac Owili Opiyo	Rep Students	4th Jan , 2021

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The functions of the School Board of Management include:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupil's 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.

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee	• Prof. Robert Gesimba	Chairman	6 Meetings
		• Rev. Benson W. King'oro	Member	
		• Carolyne Kamaitha	Member	
		• Aggrey A. Ndagona	Member	
2.	Audit Committee	• Prof. Robert Gesimba	Chairman	2 meetings
		• Kennedy O. Abuje	Member	
		• Carolyne Kamaitha	Member	
		• Johra Ali Said	Member	
		• Dr. David G. Turuthi	Member	
3.	Finance, procurement and general purposes Committee	• Janet C. Bii	Chairperson	2 Meetings
		• Prof. Robert Gesimba	Member	
		• Kennedy O. Abuje	Member	
		• Carolyne Kamaitha	Member	
		• Dr. David G. Turuthi	Member	
4.	Academic Committee	• Johra Ali Said	Chairperson	2 meetings
		• Prof. Robert Gesimba	Member	
		• Kennedy O. Abuje	Member	
		• Carolyne Kamaitha	Member	
		• Dr. David G. Turuthi	Member	
		• Aggrey A. Ndagona	Member	
		• Rev. Benson W. Kingoro	Member	
5.	Discipline and welfare Committee	Rev. Benson W. King'oro	Chairman	2 meeting
		• Cecilia Kimani		
		• Winnie A Oyaro		
		• Kisilar Gor		
6.	Adhoc (Infrastructure/Project Management) Committee	• Robert Moita	CHAIRMAN	2 meeting
		• Rev. Benson W. King'oro		
		• Prof. Robert Gesimba		
		• Dr. David G. Turuthi		

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(c) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Aggrey A. Ndagana	334352
2	Deputy Principal (1)	Dr. David Turuthi	313934
	Deputy Principal (2)	Naomi Wanjohi	372024
3	School Bursar	Margaret N. Mwangi	ID-8583549

(d) Schools contacts

Post Office Box: 10308-20100
Telephone: 070298900
E-mail: flamingo.school@yahoo.com
Website:
Face book:
Twitter:

(e) School Bankers

The following school operated 7 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Kcb
Branch: Nauru
Account Number: School Fund a/c 1101640855
Operation a/c 1101670258
Infrastructure a/c 126204047
Savings a/c 1106462122
2. Name of Bank: - Nbk
Branch Nauru
Account Number: - Tuition a/c No. 01025021068900 Savings a/c No. 01242019610200
3. MPESA Pay Bill No. 25502K attached to Kcb bank account

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(f) Independent Auditors

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

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

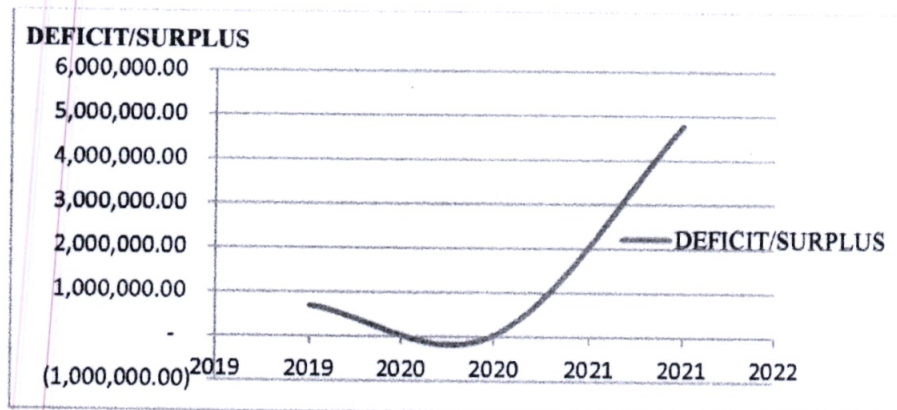
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a. Financial performance:

Under this section, the following information should be given:

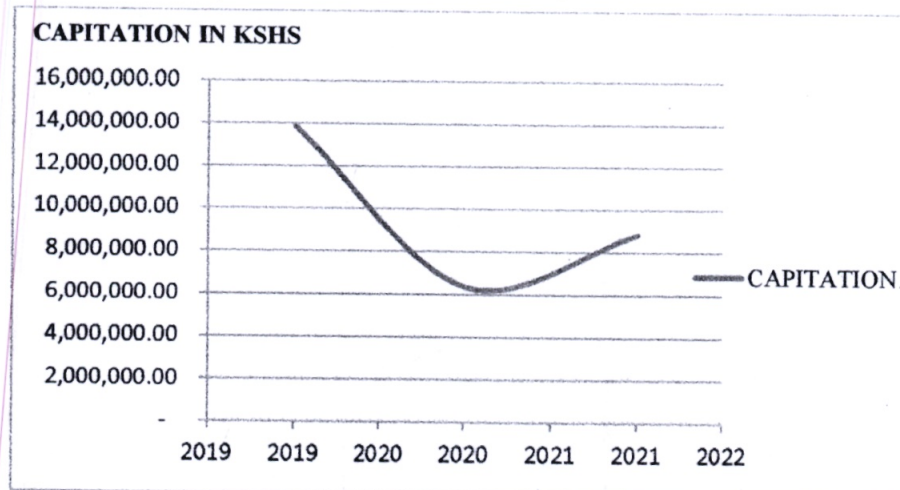
- *Surplus/ deficit for the year and a comparison of the same for the last three years*

YEAR	2021	2020	2019
DEFICIT/SURPLUS	4,774,459.10	39,070.00	699,905.50



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

YEAR	2021	2020	2019
CAPITATION IN KSHS	8,832,074.35	6,362,909.00	13,837,350.50



FLAMINGO SECONDARY SCHOOL

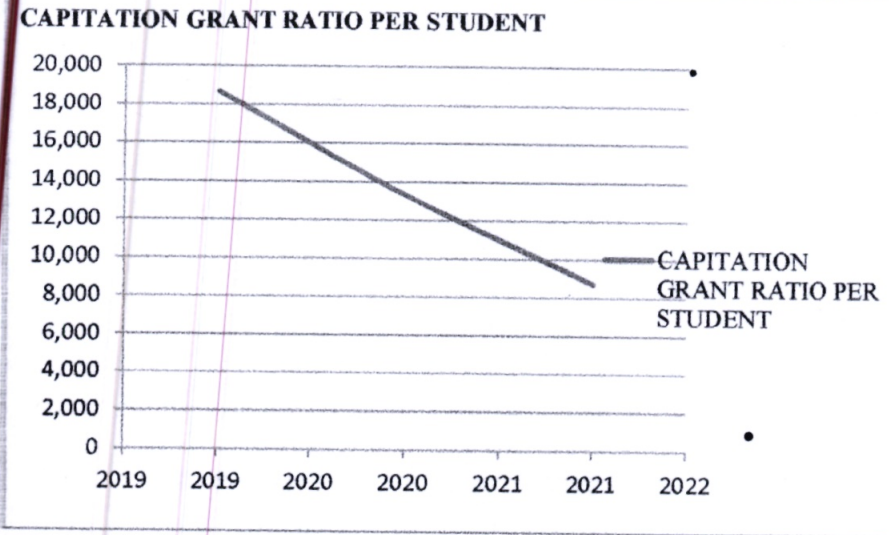
Reports and Financial Statements

For the year ended 30th June 2021

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (continued)

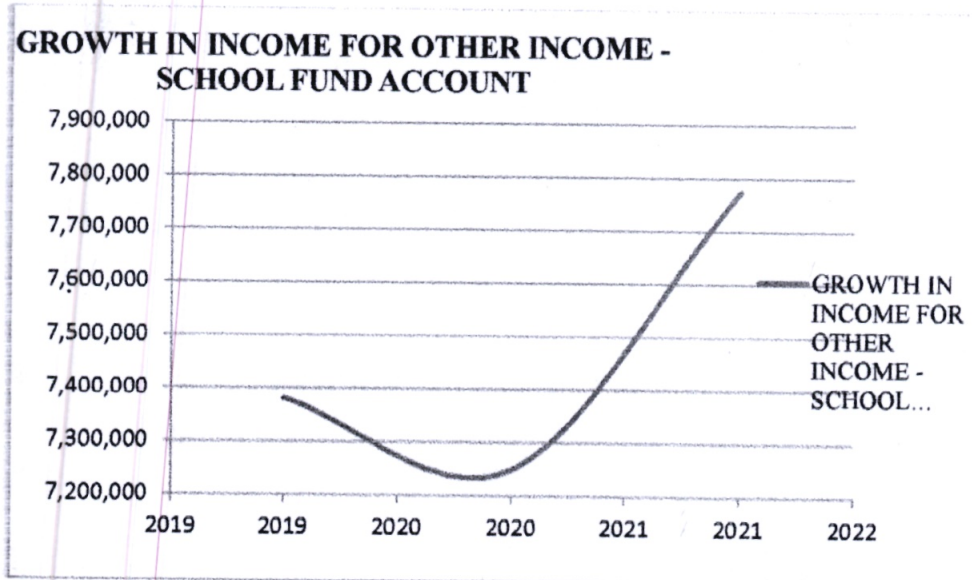
Ratio of capitation grant per student over the last three years

YEARS	2021	2020	2019
CAPITATION GRANT RATIO PER STUDENT	8,720	13,326	18,670



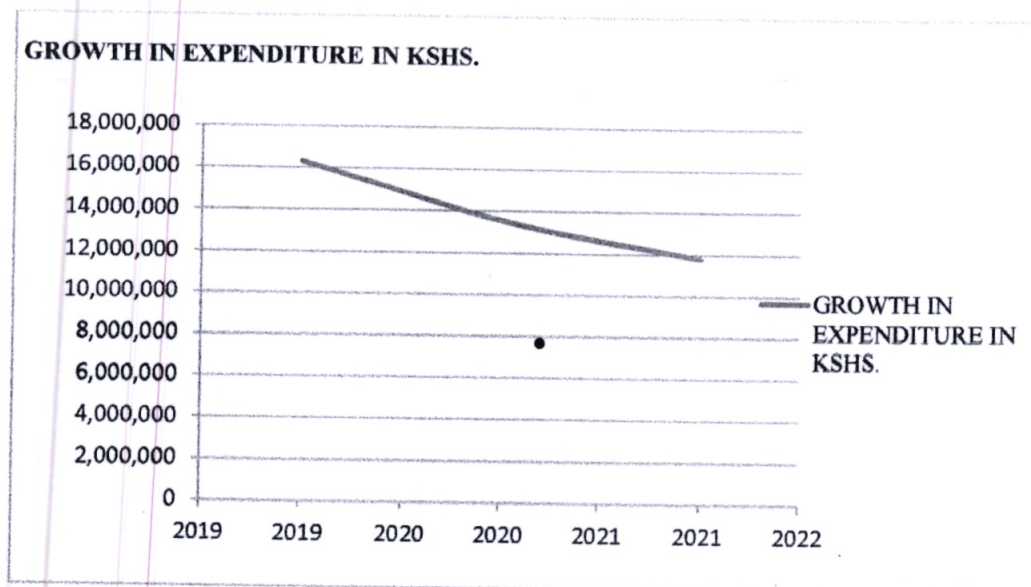
A three-year overview of growth of other income(s) earned by the school.

YEARS	2021	2020	2019
GROWTH IN INCOME FOR OTHER INCOME SCHOOL FUND ACCOUNT	7,774,899=	7,249,640=	7,382,013=



FLAMINGO SECONDARY SCHOOL**Reports and Financial Statements****For the year ended 30th June 2021****SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (continued)***- A three-year overview of growth in expenditure of the school*

YEARS	2021	2020	2019
GROWTH IN EXPENDITURE IN KSHS.	11,832,514	13,573,479	16,319,458

**Movement of debtors and creditors of the school over the last**

YEARS	2021	2020	2019
CREDITORS	4,986,839.00	5,516,068.70	7,422,695.70
DEBTORS	17,396,699.70	14,653,100.70	16,521,551.40

Movement of cash and bank balances over the last three years

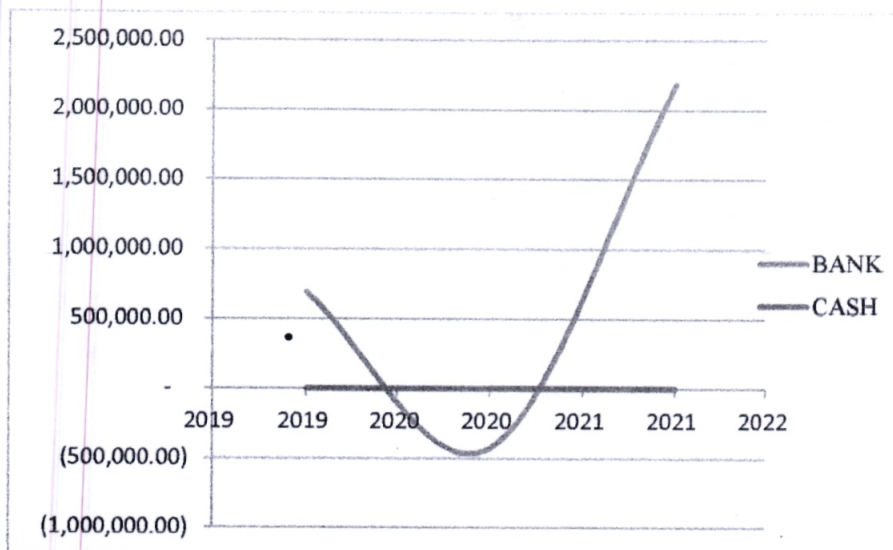
YEARS	2021	2020	2019
BANK	2,189,405.32	(425,818.78)	689,643.22
CASH	3,562.00	3,702.00	800.00

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (continued)



Teacher Student ratio:

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well

as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

b. Mean score in the 2021 KCSE:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

c. Number of Candidates in the 2021 KCSE:

Tabulate the number of candidates sitting for KCSE over the last three years.

d. Capacity of the school:

Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education

Development projects carried out by the school:

Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format

Sign
School Principal

16/07/2024

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

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

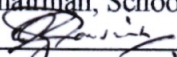
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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


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


The Board of Management of **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 GESIMBA**
Designation: Chairman, School Board of Management
Sign: 
Date: 16/07/2024

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

Name: **MR. AGGREY AGESA DAGONA**
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 16/07/2024

Name: **MARGARET NDUTA MACHARIA**
Designation: Bursar/ Finance Officer
Sign: 
Date: 16/7/24

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

REPUBLIC OF KENYA

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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 SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - 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 12 to 27, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, and statement of budgeted versus actual amounts for the six (6) months' period then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of 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, 2021, and of its financial performance and its cash flows for the six (6) months' 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 statement of receipts and payments compared to ledgers/support schedules revealed variances in respect of four (4) items as follows:-

Item	Statement of Receipts and Payments (Kshs)	Ledgers (Kshs)	Variance (Kshs)
Capitation Grants for Operations	7,735,063	7,645,065	89,998
School Fund Income - Other Receipts	7,774,899	4,384,050	3,390,849
Boarding and School Fund Payments	6,254,891	3,906,739	2,348,152
Payments for Operations	3,591,932	4,694,055	1,102,113

Further, the financial statements submitted for audit contained the following errors:

- i. The statement of receipts and payments and statement of cash flows amounts for Note 7 of Kshs.6,254,891 do not tally with the amount in Note 7 of Kshs.6,154,891, resulting to an unexplained variance of Kshs.100,000.
- ii. The Notes as indicated in the statement of financial assets and financial liabilities on accounts receivables and accounts payables are not aligned to their respective Notes.
- iii. The amount of Kshs.440,780 on acquisition of assets as indicated in the statement of cash flows is erroneous since the same amount has also been captured under payment for operations.

- iv. The accounts payable balance in Note 12 of Kshs.4,986,839 varies from the amount in Annex 1 of Kshs.1,246,562, resulting to an unexplained variance of Kshs.3,740,277.

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.17,396,700. However, the balance is disclosed in Note 11 and not in Note 10 shown on the statement of financial assets and financial liabilities. Further, included in this balance is students debtors balance of Kshs.17,373,600 as disclosed in Note 11 to the financial statements. This balance is made up of students fee balances of Kshs.11,649,251 which had been outstanding for over two (2) 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.17,396,700 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.

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, 2021 but the financial statements were submitted on 17 February, 2023. 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. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

- i. The template under Summary Report of Performance of the School requires the School to report on; teacher students' ratio, mean score in the 2020 KCSE, number of candidates in the 2020 KCSE, capacity of the School and development projects carried out by the School. However, the financial statements submitted did not contain this information.
- ii. Further, the Principal had not signed the page on progress on follow up of auditor's recommendations. In addition, Annex 2 on summary of fixed assets register is not as per the Public Sector Accounting Standards Board (PSASB) prescribed template since it does not indicate the date the assets were purchased, their locations and historical costs.
- iii. 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 presentation format prescribed by the Public Sector Accounting Standard Board.

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

The School transferred co-curricular funds totalling Kshs.178,480 to Kenya Secondary School Heads Association (KESSHA), a private welfare organization that draws its membership from school principals and is not subject to Public Finance Management 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.178,480 could not be confirmed.

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

The School received operations capitation grants of Kshs.11,097,696 from the Ministry of Education for the financial year 2020/2021. The funds were credited to the School operations bank account. Out of this, an amount of Kshs.3,760,500 was supposed to be transferred to the School infrastructure bank account for maintenance and improvement of the School facilities. However, only an amount of Kshs.1,240,500 was transferred to the School infrastructure bank account, leaving an amount of Kshs.2,520,000 untransferred.

This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directs 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 Ministry of Education's directive.

5. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables of Kshs.4,986,839 comprising trade creditors of Kshs.4,242,409 and prepaid fees of Kshs.744,430 as disclosed in Note 12 to the financial statements. Review of the creditors' aging analysis revealed an amount of Kshs.2,555,067 that had been outstanding for more than one (1) year. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

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

6. Lack of a Prequalified List of Suppliers

Review of the procurement records 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.

7. 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.

8. Irregular Use of Low-Value Procurement Method

The statement of receipts and payments reflects boarding and school fund payments of Kshs.6,254,891 which include an amount of Kshs.1,425,746 utilized to purchase various items through low-value method of procurement as summarized below:

Description	Date	Payment Voucher No.	Amount (Kshs)
Payment for KNEC Practicals Supplies	30/06/2021	666	154,431
Supply of Meat	09/06/2021	403	153,850
Purchase of Foodstuff for Lunch	31/05/2021	399	168,564
Payment for Various Admin Items	31/05/2021	104	153,500
Supply of Maize	21/05/2021	390	315,000
Supply of Meat	18/05/2021	381	132,234
Payment for Various Supplies	10/05/2021	377	120,551
Supply of Meat	23/02/2021	343	100,000
Payment for Various Supplies	14/01/2021	10	127,616
Total			1,425,746

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.

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, effective existence of controls over inventory could not be confirmed.

2. Failure to Constitute an Audit Committee

The School has 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 in Annex 2 – Summary of Fixed Assets Register.
- 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, 2024, 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 or 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

03 September, 2024

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,097,011.50	1,370,459.00
Capitation grants for operations	2	7,735,062.85	4,992,450.00
School Fund Income- Parents' Contributions	3	-	-
School Fund Income- Other receipts	4	7,774,899.00	7,249,640.00
Proceeds from borrowings			
TOTAL RECEIPTS		16,606,973.35	13,612,549.00
PAYMENTS			
Payments for Tuition	5	1,985,691.00	2,317,765.00
Payments for operations	6	3,591,932.30	3,530,524.00
Boarding and school fund payments	7	6,254,890.95	7,725,190.00
TOTAL PAYMENTS		11,832,514.25	13,573,479.00
SURPLUS/DEFICIT		4,774,459.10	39,070.00

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

Name: Prof. ROBERT M. GESIMBA Name: AGGREY ABESSA NDASONA Name: Margaret Macharia

Chairman, B.O.M.

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Sign: [Signature]

Sign: [Signature]

Sign: [Signature]

Date: 16/07/2024

Date: 16/07/2024

Date: 16-07-2024

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

Reports and Financial Statements

For the year ended 30th June 2021

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	2,189,405.32	(425,818.78)
Cash Balances	9	3,562.00	3,702.00
Short term Investment	10	-	-
Total Cash and cash equivalent		2,192,967.32	(422,116.78)
Account's receivables	10	17,396,699.70	15,766,554.40
TOTAL FINANCIAL ASSETS		19,589,667.02	15,344,437.62
FINANCIAL LIABILITIES			
Accounts Payables	11	4,986,839.00	5,516,068.70
NET FINANCIAL ASSETS		<u>14,602,828.02</u>	<u>9,828,368.92</u>
REPRESENTED BY			
Accumulated Fund b/fwd	12	9,828,368.92	9,789,298.92
Surplus/Deficit for the year		4,774,459.10	39,070.00
NET FINANCIAL POSSITION		<u>14,602,828.02</u>	<u>9,828,368.92</u>

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

Name: Prof. Robert M. Besimba Name: Aggrey Asewa Ndasona Name: Margaret Macharia

Chairman, B.O.M.

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Sign: [Signature]

Sign: [Signature]

Sign: [Signature]

Date: 16/07/2024

Date: 16/07/2024

Date: 16/7/24

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

DATE: SIGN:

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

VII . STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,097,011.50	1,370,459.00
Capitation grants for operations	2	7,735,062.85	4,992,450.00
School fund income- Parents contributions/ fees	3	-	-
School fund income- other receipts	4	7,774,899.00	7,249,640.00
Total receipts		16,606,973.35	13,612,549.00
Payments			
Payments for Tuition	5	1,985,691.00	2,317,765.00
Payments for operations	6	3,591,932.30	3,530,524.00
Bonding and school fund payments	7	6,254,890.95	7,725,190.00
Total payments		11,832,514.25	13,573,479.00
Net cash flow from operating activities		4,774,459.10	39,070.00
Adjusted for:			
Changes in Receivables		(1,630,145.30)	754,997.00
Changes in Payables		(529,229.70)	(1,906,627.00)
Accruals to cash Adjustments		-	-
		(2,159,375.00)	(1,151,630.00)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(440,780.00)	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		(440,780.00)	-
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,615,084.10	(1,112,560.00)
Cash and cash equivalent at BEGINNING of the year		(422,116.78)	690,443.22
Cash and cash equivalent at END of the year		2,192,967.32	(422,116.78)

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

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

Revenue/Expenses Item	Original Budget	Adjustments	Final Budget c=a+ NOTES TO THE FINANCIAL STATEMENTS (Continued)	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	b	d	c-d	d/c
	Kshs	Kshs			Kshs	%
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials						
Exercise books	1,025,000.00	-	1,025,000.00	405,000.00	620,000.00	39.5 %
Laboratory equipment	253,240.00	-	253,240.00	209,860.00	43,380.00	82.9 %
Internal exams	163,500.00	-	163,500.00	150,000.00	13,500.00	91.7 %
Teaching / learning materials	675,000.00	-	675,000.00	332,151.50	342,848.50	49.2 %
Chalks	28,600.00	-	28,600.00	-	28,600.00	0.0%
Exams and assessment	-	-	-	-	-	0.0%
Teachers guides		-	-	-	-	
	2,145,340.00	-	2,145,340.00	1,097,011.50	1,048,328.50	51.1 %
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	2,450,000.00	-	2,450,000.00	2,468,584.00	(18,584.00)	100.8%
Repairs and maintenance	3,300,000.00	-	3,300,000.00	3,244,250.00	55,750.00	98.3 %
Local transport / travelling	522,560.00	-	522,560.00	559,415.00	(36,855.00)	107.1%
Electricity and water	689,500.00	-	689,500.00	730,246.00	(40,746.00)	105.9%
Medical	-	-	-	-	-	0.0%
Administration costs	769,000.00	-	769,000.00	732,567.85	36,432.15	95.3 %
Activity	122,000.00	-	122,000.00	-	122,000.00	0.0%
Gratuity	-	-	-	-	-	0.0%
Total	7,853,060.00		7,853,060.00	7,735,062.85	117,997.15	98.5 %
(3) FEES CHARGED ON PARENTS						
Personnel emoluments		-	-	-	-	-
Repairs and maintenance		-	-	-	-	-

FLAMINGO SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget (=a+NOTES TO THE FINANCIAL STATEMENTS (Continued	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	b Kshs	b	d	e=c-d Kshs	f=d/c %
Local transport / travelling		-	-	-	-	-
Electricity and water		-	-	-	-	-
Medical		-	-	-	-	-
Administration costs		-	-	-	-	-
Activity		-	-	-	-	-
SMASSE		-	-	-	-	-
Fee for Boarding Equipment and Stores	7,920,000.00	-	7,920,000.00	7,713,399.00	206,601.00	97.4 %
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	61,500.00	61,500.00	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	17,918,400.00	-	17,918,400.00	16,606,973.35	1,311,426.65	92.7 %
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials						
Exercise books	1,025,000.00	-	1,025,000.00	929,206.00	95,794.00	90.7 %
Laboratory equipment	253,240.00	-	253,240.00	200,000.00	53,240.00	79.0 %
Internal exams	163,500.00	-	163,500.00	-	163,500.00	0.0%
Teaching / learning materials	675,000.00	-	675,000.00	771,765.00	(96,765.00)	114.3%
Chairs	28,600.00	-	28,600.00	-	28,600.00	0.0%
Exams and assessment	-	-	-	84,600.00	(84,600.00)	0.0%
Teachers guides	-	-	-	-	-	0.0%
Administration costs	-	-	-	-	-	0.0%
Bank Charges	-	-	-	120.00	(120.00)	0.0%
	2,145,340.00	-	2,145,340.00	1,985,691.00	159,649.00	92.6 %
(2) EXPENDITURE FOR						

FLAMINGO SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget = a + NOTES TO THE FINANCIAL STATEMENTS (Continued)	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	b	d	e = c-d	F/d/c %
	Kshs	Kshs			Kshs	Kshs
OPERATIONS						
Personnel emoluments	2,450,000.00	-	2,450,000.00	1,374,856.00	(1,075,144.00)	56.1%
Repairs, maintenance & improvements	-	-	-	125,435.00	125,435.00	0.0%
Local transport / travelling	522,560.00	-	522,560.00	422,921.00	(99,639.00)	80.9 %
Electricity, water and conservancy	689,500.00	-	689,500.00	112,182.30	(577,317.70)	16.3%
Medical						
Administration costs	769,000.00	-	769,000.00	903,142.00	134,142.00	117.4%
Activity Expenses	122,000.00	-	122,000.00	211,860.00	89,860.00	173.7%
Gratuity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-
Acquisition of Assets	3,300,000.00	-	3,300,000.00	1,289,021.00	(2,010,979.00)	39.1 %
Total	7,853,060.00	-	7,853,060.00	4,439,417.30	(3,413,642.70)	56.5 %
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	-	-	-	-	-	-
Repairs, maintenance and improvements	-	-	-	-	-	-
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical Expenses	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
Lunch programme	7,920,000.00	-	7,920,000.00	6,239,390.95	1,680,609.05	78.8 %
Boarding Equipment and Stores	-	-	-	-	-	-
Expenditure for Income Generating Activity	-	-	-	15,500.00	(15,500.00)	
Insurance costs	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	b	d	e=c-d	f=d/c
	Kshs	Kshs			Kshs	%
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
TOTALS	17,918,400.0	0	17,918,400.0	11,831,758.25	6,086,641.75	66.0%

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- i. The Maintenance and Improvement fund had not been utilised by the close of financial year.
- ii. Some of the funds were utilized in payment of payables.

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 AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

FLAMINGO SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	405,000.00	-
Laboratory equipment	209,860.00	-
Internal exams	150,000.00	-
Teaching / learning materials	332,151.50	1,370,459.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	1,097,011.50	1,370,459.00

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,468,584.00	2,447,500.00
Repairs and maintenance	3,244,250.00	-
Local transport / travelling	559,415.00	478,915.00
Electricity and water	730,246.00	709,850.00
Medical	-	148,200.00
Administration costs	732,567.85	911,585.00
Activity	-	296,400.00
Total	7,735,062.85	4,992,450.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Total	-	-

FLAMINGO SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	7,713,399.00	7,068,240.00
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	61,500.00	181,400.00
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	-	-
Dividends income	-	-
Total	7,774,899.00	7,249,640.00

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	35,700.00
Exercise books	929,206.00	641,075.00
Laboratory equipment	200,000.00	365,340.00
Internal exams	-	637,821.00
Teaching / learning materials	771,765.00	624,769.00
Chalks	-	12,000.00
Exams and assessment	84,600.00	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	120.00	1,060.00
Total	1,985,691.00	2,317,765.00

FLAMINGO SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,374,856.00	1,400,428.52
Service Gratuity	-	-
Administration Cost	903,142.00	951,108.48
Repairs and maintenance & improvements	125,435.00	-
Local transport / travelling	422,921.00	506,925.00
Electricity and water	112,182.30	220,880.00
Medical	-	-
Activity Expenses	211,860.00	451,182.00
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	756.00	-
Acquisition of Assets	440,780.00	-
TOTAL	3,591,932.30	3,530,524.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Repairs and maintenance & Improvements	-	69,780.00
Local transport / travelling	-	-
Electricity and water	-	-
Medical Expenses	-	-
Administration costs	-	-
Lunch Programme	6,139,390.95	7,571,604.00
Bank Charges	-	-
Expenses on Income Generating Activities	15,500.00	83,806.00
Fee on Boarding Equipment and Stores	-	-
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	6,154,890.95	7,725,190.00

FLAMINGO SECONDARY SCHOOL**Reports and Financial Statements**For the year ended 30th June 2021**NOTES TO THE FINANCIAL STATEMENTS (Continued)****8 BANK ACCOUNTS**

Name of Bank, Account No. & Currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account		(64,616.55)	3,501.95
Operations Account		(290,726.55)	(562,571.40)
School Fund Account/Boarding		180,142.25	23,903.50
Savings Account		90,654.17	90,654.17
Parent Association Development Account		-	-
Income generating activities Account		-	-
Infrastructural Account		2,273,952.00	18,693.00
Total		2,189,405.32	(425,818.78)

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	2,243.00	800.00
School Fund account	1,319.00	2,902.00
Total	3,562.00	3,702.00

10 SHORT TERM INVESTMENTS

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

FLAMINGO SECONDARY SCHOOL
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For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears	17,373,599.70	14,653,100.70
Other non-fees receivables	-	1,113,453.70
Salary advances	-	-
Imprest	23,100.00	-
Total	17,396,699.70	15,766,554.40

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears for current year	3,329,349.00	2,867,922.00
Fees arrears for the previous year	2,395,000.00	1,520,000.00
Fees arrears for prior periods (over two years)	11,649,250.70	10,265,178.70
Total	17,373,599.70	14,653,100.70

12 ACCOUNTS PAYABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors (See ageing below and appendix 1)	4,242,409.00	4,347,265.00
Prepaid fees	744,430.00	55,350.00
Retention monies	-	1,113,453.70
Total	4,986,839.00	5,516,068.70

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors for current year	1,687,342.00	4,085,656.00
Trade creditors for the previous year	2,293,458.00	261,609.00
Trade creditors for prior periods (over two years)	261,609.00	-
Total	4,242,409.00	4,347,265.00

FLAMINGO SECONDARY SCHOOL**Reports and Financial Statements**For the year ended 30th June 2021**NOTES TO THE FINANCIAL STATEMENTS (Continued)****13 FUND BALANCE BROUGHT FORWARD**

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	(425,818.78)	689,643.22
Cash balances	3,702.00	800.00
Short Term Investments	-	-
Receivables	15,766,554.40	16,521,551.40
Payables	5,516,068.70	7,422,695.70
Total	9,828,368.92	9,789,298.92

Other important disclosure notes

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

14 Non-current Liabilities Summary

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

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-
Total		-	-

FLAMINGO SECONDARY SCHOOL

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For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Borrowings

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

Other important disclosure notes

Stock/ Inventory

Description	2020-2021 KShs	2019-2020 KShs
b) Borrowings		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-

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)

FLAMINGO SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1. Bidga Enterprises	440,780.00		-	440,780.00	440,780.00	
Sub-Total	440,780.00		-	440,780.00	440,780.00	
Supply of goods						
2. Silas Shop & Grocery	183,180.00		179,675.00	3,505.00		
3. Crater flour Mill	62,125.00		38,565.00	23,650.00		
4. Sophia N. Kamau	137,190.00		106,790.00	30,600.00		
5. Modern Plumbing & Hardware	32,530.00		21,130.00	11,400.00		
6. Mache Hardware	114,035.00		-	114,035.00		
7. Copy Cate Enterprises	60,324.00		-	60,324.00		
8. Olive Pinnacle	16,500.00		6,500.00	10,000.00		
9. Tice Aakach	610,500.00		60,500.00	550,000.00		
10. Berinet Enterprises	138,000.00		95,000.00	43,000.00		
11. John Kariuki Kiguta	715,338.00		315,000.00	400,338.00		
Sub-Total	2,069,722.00		823,160.00	1,246,562.00		
Supply of services						
12.						
13.						
14.						
Sub-Total						
Grand Total						

FLAMINGO SECONDARY SCHOOL**Reports and Financial Statements****For the year ended 30th June 2021****ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost e/f (Kshs) 30th June 20xx
Land 1	3 acres					
Land 2	-					
Buildings and structures	9 Blocks					
Motor vehicles	1 bus					
Office equipment, furniture and fittings	2,641					
ICT Equipment, and Other ICT Assets	33					
Tools and apparatus	-					
Textbooks	-					
Other Machinery and Equipment	-					
Heritage and cultural assets	-					
Intangible assets- soft ware	5					
Total	2,720					