


REPUBLIC OF KENYA



Enhancing Accountability



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DATE: 04 MAR 2025	DAY. Tuesday
TABLED BY:	Deputy chief whip Hon. Naomi Jillo
CLERK-AT THE-TABLE:	Benson Inzofu

THE AUDITOR-GENERAL

ON

NGALA MEMORIAL GIRLS' SECONDARY

**FOR THE YEAR ENDED
30 JUNE, 2023**

KILIFI COUNTY

OFFICE OF THE AUDITOR GENERAL
P.O. Box 81543, MOMBASA
268/MCR
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NORTH COAST REGIONAL OFFICE

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Revised 30th June 2024



**NGALA MEMORIAL GIRLS SEC. SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2023**

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

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PUBLIC SECONDARY SCHOOLS - (NGALA MEMORIAL GIRLS SEC SCHOOL)
Reports and Financial Statements
For the year ended 30th June 2023

**KEYSCHOOL
 INFORMATION AND
 MANAGEMENT**

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in MM/YY under registration number xxx and is currently categorized as an *Extra County* public school established, owned or operated by the Government.

The school is boarding school and had 1415 number of students as at 30th June 2023. It has 26 streams and 54 teachers of which 24 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	JOHN NGOME MUTSUMI	Chairman	8/07/2022
2	PATRICIA MWAU	Secretary - Principal	8/07/2022
3	MUHAJID OTHMAN	Member - Vice Chairman	8/07/2022
4	NELSON MWANJALA	Member	8/07/2022
5	GERALD MWAMBIRE	Member	8/07/2022
6	NELSON WANYONYI	Member	8/07/2022
7	SAMSON WAMUNGA	Member	8/07/2022
8	CHRISTINE KARANI	Member -- Rep CEB	8/07/2022
9	MS. CAROL WAMBUA	Member Rep Teachers	8/07/2022
10	LILLIAN DHAHABU	3 Members - Sponsor	8/07/2022
11	LOICE MWARANDU	Member - Community	8/07/2022
12	MS TERESIA ZAWADI	Member Special Needs	8/07/2022
13	MOURICE KILONZI	Rep Students	8/07/2022

**NGALA MEMORIAL GIRLS SEC. SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee			
2	Audit Committee			X out of XX
3	Finance, procurement and general purposes Committee			
4	Academic Committee			
5	Development Committee			
6	Discipline and welfare Committee			
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MRS. PATRICIA MWAU	313307
2	Deputy Principal	MD. VIGILANCE NZAKA	396734
3	School Bursar	MR. JULIUS B. KARANI	N/A

NGALA MEMORIAL GIRLS SEC. SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 207-80202
Telephone: 0705501898
E-mail: ngalagirls@gmail.com
Website: XXXXXXXXX
Facebook:
Twitter:

(f) School Bankers

The following school operated 11 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Kenya Commercial Bank
Branch: Watamu
Account Number: 1. Tuition – FSE- 1108300685
2. Operation FSE- 1108301487
3. Boarding a/c -1108000703
4. Reserves a/c -1103055321
5. Salary a/c -1103050435
6. ADB Bursary- 1118230639
7. ADB project -1118230744
8. Infrastructure-1110601042
9. CDF a/c- 1117860736
10. PTA a/c - 1103141813
2. MPESA Pay Bill No. 60151K attached to KCB bank account

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

(g) Independent Auditors

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

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*
- *Capitation grants from the Ministry of Education for the last three years*
- *Ratio of capitation grant per student over the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*
- *Movement of cash and bank balances over the last three years*

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends.

b) **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.

c) **Mean score in the 2022 KCSE: 4.96**

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.

d) **Number of Candidates in the 2022 KCSE: 238**

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

e) **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.

NGALA MEMORIAL GIRLS SEC. SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

f) **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

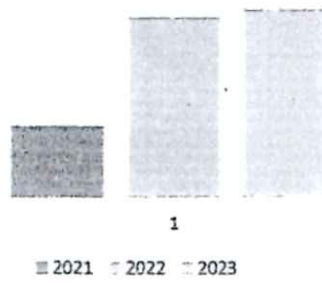
School Principal



CAPITATION GRANTS

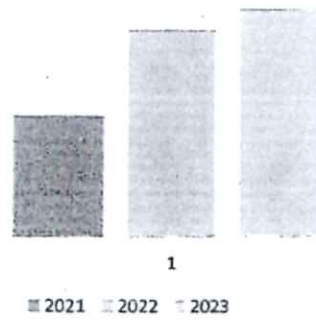
TUITION INCOME

2021	1449139.25
2022	3747006
2023	3910783.5



OPERATION INCOME

2021	9304178.65
2022	15906151.7
2023	17450964.6



MAIN ACCOUNT INCOME

2021	5964502
2022	50503221
2023	17200556



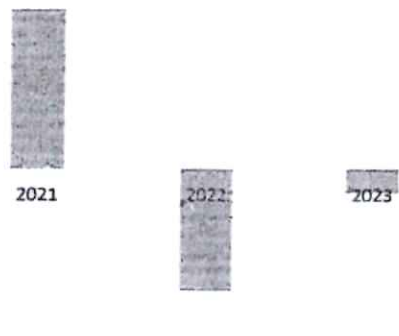
MAIN ACCOUNT OTHER INCOMES

Year	Value	Scale
2022	66177754	90000000
2023	84438914	80000000



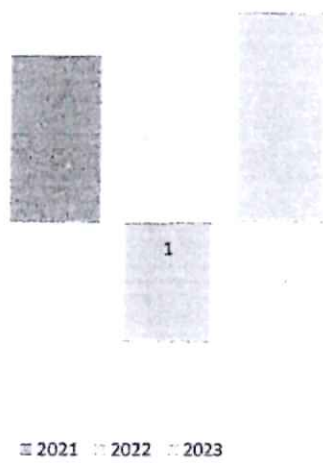
SUPLUS/DEFICIT
TUITION ACCOUNT

Year	Value	Scale
2021	400485	500000
2022	-311066	200000
2023	-57839	100000



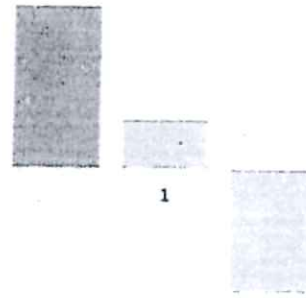
SUPLUS/DEFICIT
OPERATION ACCOUNT

Year	Value	Scale
2021	283797	400000
2022	-202325.35	200000
2023	360590	300000



SUPLUS/DEFICIT
MAIN ACCOUNT

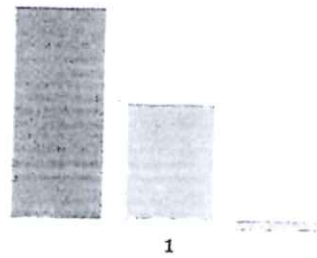
Year	Value	Y-axis Label
2021	10227970	12000000
2022	3041301	10000000
2023	-7593679	8000000
		6000000
		4000000
		2000000
		0
		-2000000
		-4000000
		-6000000
		-8000000
		-10000000



■ 2021 □ 2022 ▨ 2023

GROWTH IN EXPENDITURE
TUITION ACCOUNT

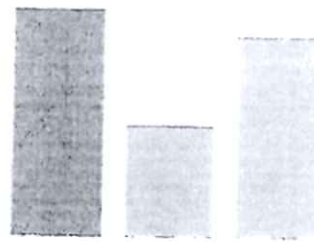
Year	Value	Y-axis Label
2021	1396702	1600000
2022	771201	1400000
2023	-57838.5	1200000
		1000000
		800000
		600000
		400000
		200000
		0
		-200000



■ 2021 □ 2022 ▨ 2023

GROWTH IN EXPENDITURE
OPERATION ACCOUNT

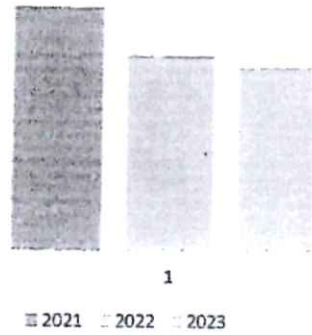
Year	Value	Y-axis Label
2021	19350122	25000000
2022	9506504	20000000
2023	17090374	15000000
		10000000
		5000000
		0



■ 2021 □ 2022 ▨ 2023

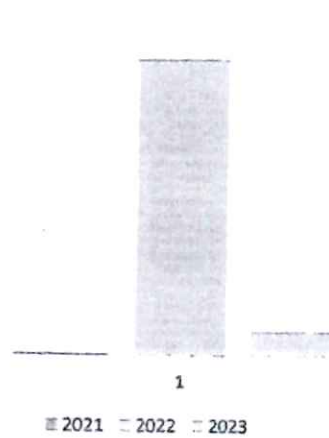
**GROWTH IN EXPENDITURE
MAIN ACCOUNT**

2021	31441210	35000000
2022	25249740	30000000
2023	23849808	25000000



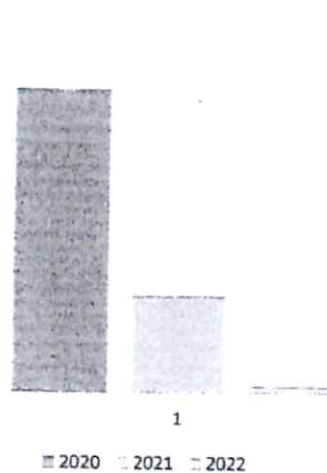
**BANK BALANCES
TUITION ACCOUNT**

2021	1892.5	450000
2022	402377.75	400000
2023	33473.85	350000



**BANK BALANCES
OPERATION ACCOUNT**

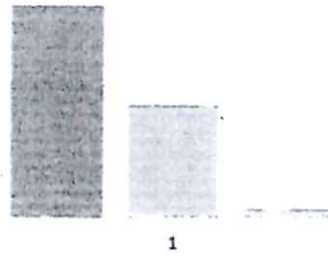
2020	297339.8	350000
2021	95300.45	300000
2022	7565.7	250000



BANK BALANCES
MAIN ACCOUNT

2021 2443997.4
2022 1303953.96
2023 104603.41

3000000
2500000
2000000
1500000
1000000
500000
0



■ 2021 ■ 2022 ■ 2023

NGALA MEMORIAL GIRLS SEC. SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

f) Development projects carried out by the school:

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Sign

School Principal



NGALA MEMORIAL GIRLS SEC. SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2023

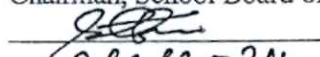
I. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

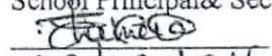
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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.

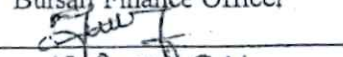
The Board of Management of (*Name of School*) accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: Dr. JOHN NGOME MUTSUMI
Designation: Chairman, School Board of Management
Sign: 
Date: 29/2/2024

Name: Mrs. PATRICIA MWAU
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 02/02/24



Name: Mr. JULIUS BEJA KARANI
Designation: Bursar/ Finance Officer
Sign: 
Date: 02/02/24

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 NGALA MEMORIAL GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023- KILIFI 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 of Kenya, 2010, 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 of the Auditor-General on Ngala Memorial Girls Secondary School for the year ended 30 June, 2023- Kilifi County

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ngala Memorial Girls Secondary School- Kilifi County set out on pages 9 to 28, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts 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, 2010, 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 Ngala Memorial Girls School as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.45,218,223 which includes Kshs.45,104,889 in respect of fees arrears, as disclosed in Note 11 to the financial statements. However, included in the fees arrears balance are receivables amounting to Kshs.25,367,540, which have been outstanding for more than two years. However, 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 recoverability of the receivables balance of Kshs.45,218,223.05 could not be confirmed.

2. Unsupported Payments

The statement of receipts and payments reflects total payments amounting to Kshs.130,292,145. However, examination of sampled payment vouchers amounting to Kshs.3,721,300 for tuition, Kshs.14,271,600 for operations, and Kshs.42,415,284 for boarding & school fund expenses revealed that Management made payments without proper supporting documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the total payments amounting to Kshs.130,292,145 could not be confirmed.

3. Unsupported School Fund Income Parents' Contributions

The statement of receipts and payments reflects receipts amounting to Kshs.17,200,556 in respect of School Fund Income from parents' contributions. However, the supporting general ledger records reflected Kshs.14,519,329, resulting to a variance of Kshs.2,681,227.

In the circumstances, the accuracy and completeness of Kshs.17,200,556 could not be confirmed.

4. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.16,282,012 as disclosed in Note 12 to the financial statements. However, the supporting schedules and ledgers were not provided for audit review.

In the circumstances, the accuracy and completeness of Kshs.16,282,012 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution of Kenya, 2010, based on the procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness

and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, the school management submitted the financial statements for audit on 5 February, 2024. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the school's financial statements should be ready by 30 September, 2023 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Non-compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows:

- (i) Infrastructure expenditure was excluded from the financial statements
- (ii) The statement of budgeted versus actual amounts was missing some details such as totals.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

3. Unapproved Procurement Plans

The school did not have an approved procurement plan. This is contrary to Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process and Paragraph 3.12 on the Annual procurement plan of circular MOE.HQS/3/10/18/ (112) states that as provided in Section 45 (3) of PPADA, 2015, all procurement processes shall be (a) within the approved budget of the procuring entity (school) and shall be planned by the procuring entity concerned through an annual procurement plan.

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

4. Non-Banking of School Fee Receipts

The Audit revealed the following anomalies regarding accounting for own generated revenue:

- (i) The revenue generated by the school was not being banked into a separate account as required by Ministry guidelines; instead, it was being deposited into the school's main account, which may compromise proper accounting and financial management.
- (ii) Documents to confirm the receipts of the own generated revenue, were not provided for audit review.
- (iii) Segregation of duties were lacking in the banking for own generated revenue

This is contrary to Regulation 64(1)(a) of the Public Finance Management Regulations 2015 and Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June 2021 which require that all revenues generated by public institutions be banked into designated accounts, with proper segregation of duties to ensure accountability.

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

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

The statement of receipts and payments reflects an operations grants amount of Kshs.17,450,947, as disclosed in Note 2 to the financial statements, credited to the operations bank account from the Ministry of Education. Included in this amount is Kshs.5,744,000 in respect of infrastructure grants, which were to be transferred to the infrastructure bank account for the maintenance and improvement of the school's facilities. However, the School transferred Kshs.6,179,000 resulting in a variance of Kshs.435,000 as at 30 June, 2023. The source of the extra funds transferred was not explained. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3, 2021, which directed that infrastructure grants, as well as maintenance and improvement funds, should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

6. Inadequate Need Assessment Guiding Distribution of Textbooks to Ngala Memorial Girls Secondary

During the year under review, it was noted that there was no evidence of instructional need assessment that provided the basis for determining the number and subject of instructional material needed by the school. In addition, there was no evidence of Ngala Memorial Girls Secondary having set up a School Instructional Materials Selection Committee (SIMSC) that does annual needs assessment of the textbooks urgently needed by the school that will guide the Ministry of Education through Kenya Institute of Curriculum Development (KICD) on the distribution of textbooks to the school.

In the circumstances, the school may not have received value for money for the books supplied.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 overall governance, were not effective.

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that the internal audit unit of a National Government entity is to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

2. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with balances not indicated. Further, land ownership documents and motor vehicle log books were not provided for audit.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

The audit was conducted in accordance with the ISSAI 2315 and 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 intentions 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 of Kenya, 2010, and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya, 2010. 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 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 sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


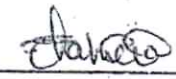

31 December, 2024

NGALA MEMORIAL GIRLS SEC. SCHOOL
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For the year ended 30th June 2023

STATEMENT OF RECEIPTS
AND PAYMENTS PERIOD TO
30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	3,910,783.50	3,747,006.60
Capitation grants for operations	2	17,450,964.60	15,906,151.65
School Fund Income- Parents' Contributions	3	17,200,556.00	50,503,221.00
School Fund Income- Other receipts	4	84,438,914.00	66,177,754.00
TOTAL RECEIPTS		123,001,218.10	136,334,133.25
PAYMENTS			
Payments for Tuition	5	3,968,622.00	4,058,072.00
Payments for operations	6	17,090,374.00	16,369,720.00
Boarding and school fund payments	7	109,233,149.00	107,544,586.00
TOTAL PAYMENTS		130,292,145.00	127,972,378.00
SURPLUS/DEFICIT		-7,290,926.90	8,361,755.25

The school financial statements were approved on _____ 2023 and signed by:

Sign  Sign  Sign 
Name Dr. Jetha M. Mwangi Name PATRICIA NUNU Name JULIUS B. KASIRI

Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Date xxxx

Date 02-02-24



NGALA MEMORIAL GIRLS SEC. SCHOOL
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**III. STATEMENT OF
 FINANCIAL ASSETS AND
 FINANCIAL LIABILITIES
 AS AT 30TH JUNE 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	415,359.66	1,939,024.19
Cash Balances	9	2,225.55	16,670.55
Short term Investment	10	0.00	0.00
Total Cash and cash equivalent		417,585.21	1,955,694.74
Account's receivables	11	45,218,223.05	43,402,264.05
TOTAL FINANCIAL ASSETS		45,635,808.26	45,357,958.79
FINANCIAL LIABILITIES			
Accounts Payables	12	-16,282,011.70	(8,713,235.33)
NET FINANCIAL ASSETS		29,353,796.56	36,644,723.46
REPRESENTED BY			
Accumulated Fund b/fwd	13	36,644,723.46	28,282,968.21
Surplus/Deficit for the year		-7,290,926.90	8,361,755.25
NET FINANCIAL POSSITION		29,353,796.56	36,644,723.46

The School's financial statements were approved on _____ 2023 and signed by:

Name: Dr. J. MUTSUMI
 Chairman, BoM

Sign: _____

Date: 2/2/2024

Name: PATRICIA MWAU
 School Principal/Secretary
 to BoM

Sign: _____

Date: 02/02/24

Name: JULIUS KARANI
 Bursar/Finance

Sign: _____

Date: 02/02/24



PUBLIC SECONDARY SCHOOLS - (NGALA MEMORIAL GIRLS SEC SCHOOL)
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IV. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS
 FOR THE YEAR ENDED 30TH JUNE 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials						
Chalks						
Exams and assessment						
Teachers guides						
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	2,550,000.00	0.00	2,550,000.00	1,350,920.00	1,199,080.00	
Repairs and maintenance	8,500,000.00	0.00	8,500,000.00	1,692,200.00	6,807,800.00	
Local transport / travelling	1,700,000.00	00.00	1,700,000.00	323,150.00	1,376,850.00	
Electricity and water	5,950,000.00	0.00	5,950,000.00	1,536,070.00	4,413,930.00	
Medical insurance	3,400,000.00	0.00	3,400,000.00	0.00	3,400,000.00	
Administration costs	5,780,000.00	0.00	5,780,000.00	671,460.00	5,108,540.00	
Activity	2,550,000.00	0.00	2,550,000.00	170,000.00	2,380,000.00	
Gratuity		0.00				

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
SMASSE	340,000.00	0.00	340,000.00	0.00	0.00	0.0%
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	8,500,000.00	0.00	8,500,000.00	7,737,580.00	762,420.00	91.03%
Repairs and maintenance	3,400,000.00	0.00	3,400,000.00	4,226,174.00	-826,174.00	124.30%
Local transport / travelling	4,930,000.00	0.00	4,930,000.00	4,232,160.00	697,840.00	85.85%
Electricity and water	3,400,000.00	0.00	3,400,000.00	4,679,040.00	-1,279,040.00	137.62%
Medical	0.00	0.00	0.00	177,570.00	-177,570.00	0%
Administration costs	3,009,000.00	0.00	3,009,000.00	4,357,985.00	-1,348,985.00	144.83%
Activity	850,000.00	0.00	850,000.00	2,805,320.00	-1,955,320.00	330.04%
Bom teachers	11,560,000.00	0.00	11,560,000.00	6,724,800.00	4,835,200.00	58.17%
Fee on Boarding Equipment and Stores	35,411,000.00	0.00	35,411,000.00	38,513,829.00	-3,102,829.00	108.76%
OTHER INCOME						
Rent income	0.00	0.00	0.00	0.00	0.00	X
Income from farming activities	0.00	0.00	0.00	0.00	0.00	X
Insurance compensation	0.00	0.00	0.00	0.00	xxx	X
Income from Posho mill	0.00	0.00	0.00	0.00	0.00	X
Income from Bus Hire	0.00	0.00	0.00	809,880.00	-809,880.00	0%
Fee for hire of ground and equipment	0.00	0.00	0.00	0.00	0.00	X
Interest income	0.00	0.00	0.00	0.00	0.00	X
Income from any other investment	0.00	0.00	0.00	0.00	0.00	X
TOTAL INCOME	0.00	0.00	0.00		0.00	X
(1) EXPENDITURE FOR TUITION						

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Textbooks and reference materials	xxx	xxx	Xxx	xxx	xxx	X
Exercise books	xxx	xxx	Xxx	xxx	xxx	X
Laboratory equipment	xxx	xxx	Xxx	xxx	xxx	X
Internal exams	xxx	xxx	Xxx	xxx	xxx	X
Teaching / learning materials	xxx	xxx	Xxx	xxx	xxx	x
Chalks	xxx	xxx	Xxx	xxx	xxx	x
Exams and assessment	xxx	xxx	Xxx	xxx	xxx	x
Teachers guides	xxx	xxx	Xxx	xxx	xxx	x
Administration costs	xxx	xxx	Xxx	xxx	xxx	x
Bank Charges	xxx	xxx	Xxx	xxx	xxx	x
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	2,550,000.00	xxx	Xxx	xxx	xxx	x
Repairs, maintenance & improvements	8,500,000.00	xxx	Xxx	xxx	xxx	x
Local transport / travelling	1,700,000.00	xxx	Xxx	xxx	xxx	x
Electricity, water and conservancy	5,950,000.00	xxx	Xxx	xxx	xxx	x
Medical	3,400,000.00	xxx	Xxx	xxx	xxx	x
Administration costs	5,780,000.00	xxx	Xxx	xxx	xxx	x
Activity Expenses	2,550,000.00	xxx	Xxx	xxx	xxx	x
Gratuity	0.00	xxx	Xxx	xxx	xxx	x
SMASSE	340,000.00	xxx	Xxx	xxx	xxx	x
(3) EXPENDITURE FOR SCHOOL FUND						

V. 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 2023.

VI. NOTES TO THE
FINANCIAL
STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2022-2023	2021-2022
	Kshs	Ksh
Textbooks and reference materials	xxx	xx
Exercise books	xxx	xx
Laboratory equipment	xxx	xx
Internal exams	xxx	xx
Teaching / learning materials	xxx	xx
Chalks	xxx	xx
Exams and assessment	xxx	xx
Teachers guides	xxx	xx
Grants	3,910,783.50	3,747,006.6
Total	3,910,783.50	3,747,006.6

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2021-2022
	Kshs	Ksh
Personnel emoluments	xxx	xx
Repairs and maintenance		10,600,000.0
Local transport / travelling	xxx	xx
Electricity and water	xxx	xx
Medical	xxx	xx
Administration costs.	xxx	xx
Activity	xxx	xx
Other vote heads		5,195,681.1
Grants	17,450,964.60	
Students fees		110,470.5
Total	17,450,964.60	15,906,151.6

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2022-2023	2021-2022
	Kshs	Ksh
Personnel emoluments	2,300,404.00	8,223,574.00
Repairs and maintenance	2,840,500.00	5,878,741.00
Local transport / travelling	1,058,045.00	3,741,360.00
Electricity and water	20,000.00	8,527,914.00
Medical*	0.00	0.00
Administration costs	898,877.00	3,633,240.00

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	2022-2023	2021-202
	Kshs	Ksh
Activity	355,885.00	984,755.0
BOM Teachers	9,726,845.00	19,513,36
Total	17,200,556.00	50,503,221.0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2022-2023	2021-202
	Kshs	Ksh
Fee on Boarding Equipment and Stores	46,879,926.00	55,306,818.00
Caution money	0.00	267,500.0
Tender fees	15,000.00	42,000.0
Students uniforms	802,475.00	1,518,160.0
Development fund	695630.00	3,643,200.00
Income from Bus Hire	101,000.00	105,000.0
Fee for hire of ground and equipment	0.00	1,709,070.0
Income from grants and donations*	0.00	
Interest income	0.00	
Bursary	14,567,305.00	
Students ID	0.00	2,250.00
Laboratory/tuition	2,849.00	559.00
Chairs & lockers	1,586,460.00	3,583,19'
Fees arrears	0.00	13,797,729.00
Other Votehead	16,788,269.00	
Borrowings	3,000,000.00	
Total	84,438,914.00	

(Include an explanation on the kind and source of grants/ donations received by the school.)

5 PAYMENTS FOR TUITION

	2022-2023	2021-2
	Kshs	K
Textbooks and reference materials		xxx
Exercise books	2,556,800.00	300,000.00
Laboratory equipment	0.00	400,000.00

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Internal exams	418,060.00	0.00
Teaching / learning materials	989,440.00	70,000.00
Chalks	0.00	0.00
Exams and assessment	0.00	0.00
Teachers guides	0.00	0.00
Administration Costs	0.00	0.00
Bank Charges	4,322.00	0.00
Total	3,968,622.00	770,000.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	4,212,320.00	2,345,827.00
Service Gratuity	0.00	0.00
Administration Cost	671,460.00	702,700.00
Repairs and maintenance & improvements	1,692,200.00	11,818,150.00
Local transport / travelling	323,150.00	519,550.00
Electricity and water	1,536,070.00	765,440.00
Medical	0.00	37,050.00
Activity Expenses	170,000.00	90,000.00
SMASSE	0.00	0.00
laboratory	2,300,000.00	86,045.00
Bank Charges	6,174.00	4,758.00
Acquisition of Assets	6,179,000.00	0.00
TOTAL	17,090,374.00	16,369,720.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	6,386,660.00	16,860,236.00
Service Gratuity	0.00	0.00
Repairs and maintenance & Improvements	2,820,514.00	12,909,160.00
Local transport / travelling	3,909,010.00	3,861,250.00
Electricity and water	3,643,015.00	4,659,151.00
Medical Expenses	177,570.00	159,350.00
Administration costs	6,634,355.00	5,879,020.00
Development fund	0.00	3,226,948.00
Bank Charges	278,684.00	162,930.00
Expenses on Income Generating Activities	0.00	0.00
Fee on Boarding Equipment and Stores	43,353,204.00	47,083,897.00
Rent Expenses/facility hire	0.00	1,660,700.00
Tender	2,000.00	43,000.00
Loan Principal repayment	3,000,000.00	0.00
Students items	559,310.00	1,557,940.00
Laboratory/Tuition	8,167,937.00	8,026,524.00.00
Activity	2,635,320.00	1185910.00
Bus	809,880.00	263,320.00
Bursary	14,534,470.00	0.00
Creditors	0.00	5,250.00
Bom teachers	6,263,400.00	

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Other Votehead	4,581,420.00	
Chairs and Lockers	1,476,400.00	
TOTAL	109,233,149.00	107,544,586.00

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2022-2023	2021-2022
		Kshs	Kshs
Tuition Account	1108300685	33,473.85	91,312.35
Operations Account	1108301487	7,565.70	13,467.10
School Fund Account/Boarding	1108000703	104,603.41	183,424.74
Savings Account	1103050435	71,529.35	71,759.55
Parent Association Development Account		0.00	0.00
Income generating activities Account		0.00	0.00
Infrastructural Account	1110601042	198,187.35	187,703.35
Total		415,359.66	2,198,487.09

9 CASH IN HAND

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	855.00	1,635.00
School Fund account	1,370.55	15,035.55
Total	2,225.55	16,670.55

10 SHORT TERM INVESTMENTS

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed deposit	0.00	0.00
Equity stock	0.00	0.00
Other investments	0.00	0.00
Total	0.00	0.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears	45,104,889.05	42,077,606.05
Other non-fees receivables	93,334.00	
Salary advances	20,000.00	54,000.00
Imprest		
Total	45,218,223.05	42,131,606.05

[Include an ageing of the fees / non fees arrears below]

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears for current year	18,359,427.00	17,981,102.00
Fees arrears for the previous year	1,377,922.00	9,584,579.00
Fees arrears for prior periods (over two years)	25,367,540.05	15,782,961.05
Salary advances	20,000.00	54,000.00
NSSF	18,000.00	
NHIF	63,100.00	
PAYE	12,234.00	
Total	45,218,223.05	43,402,642.05

12 ACCOUNTS PAYABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	14,957,363.70	7,054,468.33
Prepaid fees	1,311,570.00	1,658,767.00
Retention monies	0.00	
Other non-fees payable	13,078.00	
Total	16,282,011.70	8,713,235.33

[Include an ageing of the creditor's arrears below]

Trade creditors for current year	13,005,932.00	5,267,095.00
Trade creditors for the previous year	1,664,835.00	3,446,140.33
Trade creditors for prior periods (over two years)	286,596.70	
Total	14,957,363.7	8,713,235.33

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Bank balances	415,359.66	2,198,487.09
Cash balances	2,225.55	16,670.55
Short Term Investments	0.00	
Receivables	45,218,223.05	43,402,642.05
Payables	(16,282,011.70)	(8,713,253.33)
Total	29,353,796.56	36,045,546.36

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STATEMENT OF CASH
FLOWS FOR THE PERIOD
ENDED 30TH JUNE 2023

		2022-2023	2021-2022
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	3,910,783.50	3,747,006.60
Capitation grants for operations	2	17,450,964.60	15,906,151.65
School fund income- Parents contributions/ fees	3	17,200,556.00	50,503,221.00
School fund income- other receipts	4	84,438,914.00	66,177,754.00
Total receipts		123,001,218.10	136,334,133.25
Payments			
Payments for Tuition		3,968,622.00	4,058,072.00
Payments for operations		17,090,374.00	16,369,720.00
Boarding and school fund payments		109,233,149.00	107,544,586.00
Infrastructure			
Total payments		130,292,145.00	127,972,378.00
Net cash flow from operating activities		-7,290,926.90	8,361,755.25
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0.00	xxx
Acquisition of Assets		(0.00)	(xxx)
Proceeds from investments		0.00	xxx
Purchase of investments		(0.00)	(xxx)
Net cash flows from Investing Activities		0.00	xxx
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		3,000,000.00	2,150,000.00
Repayment of principal borrowings		-3,000,000.00	2,150,000.00
Net cash flow from financing activities		0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENTS		-7,290,926.90	8,361,755.25
Cash and cash equivalent at BEGINNING of the year		15,058,143.70	6,696,388.45
Cash and cash equivalent at END of the year		7,767,216.80	15,058,143.70

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cash flow as recommended by PSASB.

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Other important disclosure notes

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

14 Non-current Liabilities Summary

Bank loan(s)	0.00	0.00
Outstanding Leases	0.00	0.00
Hire purchase	0.00	0.00
Gratuity and leave provision	0.00	0.00
Total	0.00	0.00

15 Biological assets

Cattle	0.00	0.00
Goats	0.00	0.00
Trees	0.00	0.00
Coffee or tea plantation	0.00	0.00
Poultry	0.00	0.00
Total	0.00	0.00

16 Borrowings

a) Borrowings	0.00	0.00
Borrowing at beginning of the year	0.00	0.00
Borrowings during the year	3,000,000.00	2,150,000.00
Repayments of during the year	3,000,000.00	0.00
Balance at end of the year	0.00	2,150,000.00

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Other important disclosure notes

17 Stock/ Inventory

b) Borrowings		
Stock/ inventory at beginning of the year	0.00	0.00
Stock/ inventory purchased during the year	0.00	0.00
Stock/ inventory issued during the year	0.00	0.00
Balance at end of the year	0.00	0.00

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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.

[REDACTED]				

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount	Outstanding	Outstanding	Comments
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4.						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchase	Location	Historical Cost	Additions Year (Ksh)	Disposals during Year	Historical Cost End Year (Ksh)
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total						

(The School should ensure that a detailed fixed assets register is maintained).

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