

REPUBLIC OF KENYA



Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 27 NOV 2024	DAY: Wednesday.
TABLED BY:	Leader of Majority.
CLERK-AT-TABLE:	Lomale.

REPORT

OF

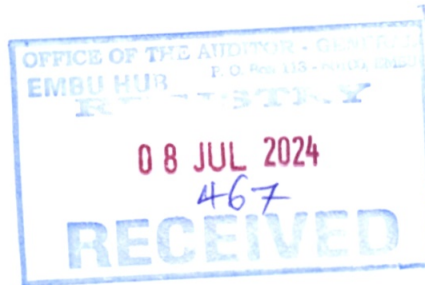
THE AUDITOR-GENERAL

ON

NAIROBI SCHOOL

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

NAIROBI CITY COUNTY



NAIROBI 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)



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1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	

2. 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 in Nairobi County, Westland's Sub-County.

The school was registered in 20th November 2003 under registration number GP/A/2823/2003 and is currently categorized as a *National* public school established, owned or operated by the Government.

The school is a day/boarding school and had 2197 number of students as at 30th June 2021. It has 10 streams and 93 teachers of which 20 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	Mrs Rebecca Murigu	Chairman	02/05/2019
2	Mr Caspal Maina	Secretary - Principal	02/05/2019
3	Dr Joseph Siror	Member	02/05/2019
4	Mrs Juliana Ndunge Folingi	Member	02/05/2019
5	Mr Charles Mbuvi	Member	02/05/2019
6	Ms Theresah Nyangena	Member	02/05/2019
7	Dr Ann Maina	Member	02/05/2019
8	Mr Joseph Murage	Member	02/05/2019
9	Mr Graham Waliaula Soita	Member – Rep CEB	02/05/2019
10	Mrs Everlyne Njoki King'ori	Member Rep Teachers	02/05/2019
11	Justice Philomena Mwilu	Member - Sponsor	02/05/2019
12	Mr Robert Masese	Member -Sponsor	02/05/2019
13	Mr Ambrose D.O Rachier	Member -Community	02/05/2019
14	Mr Abdi Mohammed Ahmed	Member Special Needs	02/05/2019
15	Isaac Wafula	Rep Students	02/05/2019

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee	Mrs Rebecca Murigu	Bom Chairperson	1 out of 3
			Principal/Bom	
		Mr Caspal Maina	Secretary	1 out of 3
		“		
		Mr Charles Mbuvi	PA Chairperson	1 out of 3
	“	Mr Robert Masese	Member	1 out of 3
	“	Justice Philomena Mwilu	Member	1 out of 3
2.	School Infrastructure Committee(SIC)	Eng. Joseph Murage	Chairman	1 out of 3
		Mr Hudson Musyoki	Secretary	1 out of 3
		“		

	“	Mr Charles Mbuvi	PA Chairman	1 out of 3
	“	Mrs Rebecca Murigu	Bom Chairperson	1 out of 3
	“	Dr Anne Maina	Bom Member	1 out of 3
3	Finance, Procurement and General purposes Committee	Mr Graham Soita	Chairperson	1 out of 3
	“	Ms Julian Folingi	Member	1 out of 3
	“	Eng Joseph Murage	Member	1 out of 3
	“	Dr Joseph Siror	Member	1 out of 3
	“	Mr Charles Mbuvi	Member	1 out of 3
4	Academic Standards, Quality & Environment Committee	Dr Anne Maina	Chairperson	1 out of 3
	“	Mr Abdi Mohammed	Member	1 out of 3
	“	Mrs Everlyne King'ori	Member	1 out of 3
	“	Mr Charles Mbuvi	Member	1 out of 3
	“	Hon Theresah Nyangena	Member	1 out of 3
	“	Justice Philomena Mwilu	Member	1 out of 3
	“	Rtd Brig Stephen Njung'e	Member	1 out of 3

5	Discipline, Ethics & Integrity Committee	Mr Robert Masese	Chairman	1 out of 3
	"	Justice Philomena Mwilu	Member	1 out of 3
	"	Mrs Rebeccah Murigu	Member	1 out of 3
	"	Mr Ambrose Rachier	Member	1 out of 3
	"	Hon Theresah Nyangena	Member	1 out of 3
6	Adhoc Committee (if any during the year)			
		Ms Ruth Ng'ang'a		1 out of 1
		Mr. Josphat Musili		1 out of 1
		Mr Peter Ndiku		1 out of 1
7	Tender Technical & Evaluation Committee			
		Mr. Hudson Musyoki		1 out of 1
		Mrs Mary Wangio		1 out of 1
		Ms Janet Mukuvi		1 out of 1
		Mr Moffat Gichuru		1 out of 1

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Chief Principal	Mr Caspal Maina	335087
2	Deputy Principal-Administration	Mr Hudson Musyoki	390443
3	Deputy Principal-Academics	Mrs Mary Wangio	190656
4	Deputy Principal-Policy & Planning	Mr Josphat Musili	347813
5	Finance Officer	Mr Anthony King'ori	22629083

(e) Schools contacts

Post Office Box: 30047-00100 Nairobi
Telephone: 0723 419 660
E-mail: info@nairobischool.co.ke
Website: www.nairobischool.co.ke
Facebook:
Twitter:

(f) School Bankers

The School operated 8 Bank Accounts in the following banks:

1. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1106826566
2. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1107119510
3. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1107119642
4. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1108502369
5. Name of Bank: EQUITY BANK
Branch: WESTLANDS
Account Number: 0550298106892
6. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1271989980
7. Name of Bank: COOPERATIVE BANK
Branch: UNIVERSITY WAY, NAIROBI
Account Number: 01129084055400
8. Name of Bank: ABSA BANK
Branch: ABC BRANCH
Account Number: 2026474070

(g) Independent Auditors

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

3. Summary Report of Performance of The School

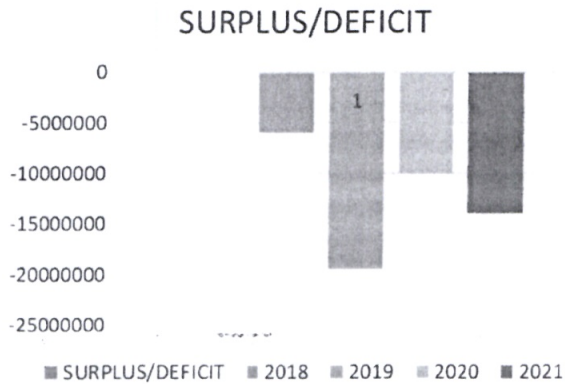
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial Performance

a) Financial performance:

SURPLUS/DEFICIT

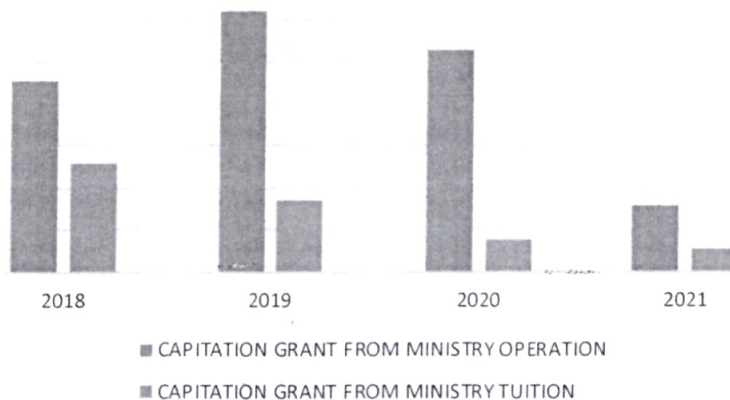
2018	(5,978,377.68)
2019	(19,410,489.57)
2020	(10,159,596.30)
2021	(13,885,491.42)



CAPITATION GRANT FROM MINISTRY

	OPERATION	TUITION
2018	22,725,172.44	12,901,948.35
2019	31,087,605.56	8,402,675.10
2020	26,445,800.00	3,751,981.00
2021	7,900,169.89	2,798,353.25

CAPITATION GRANT FROM MINISTRY



RATIO OF CAPITATION GRANT PER STUDENT

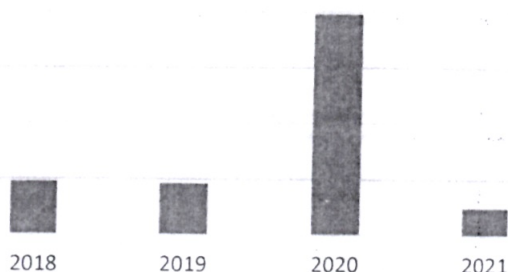
RATIO OF CAPITATION GRANT PER STUDENT			
YEAR	GRANT	NO OF STUDENTS	
2018	35,627,120.79	1750	20,358.35
2019	39,490,280.66	1950	20,251.43
2020	30,197,781.00	2020	14,949.40
2021	10,698,523.14	2176	4,916.60

OVERVIEW OF GROWTH OF OTHER INCOME

GROWTH OF OTHER INCOME

YEAR	INCOME
2018	18,648,459.25
2019	17,820,273.90
2020	78,966,048.84
2021	9,604,394.80

**GROWTH OF OTHER INCOME
INCOME**

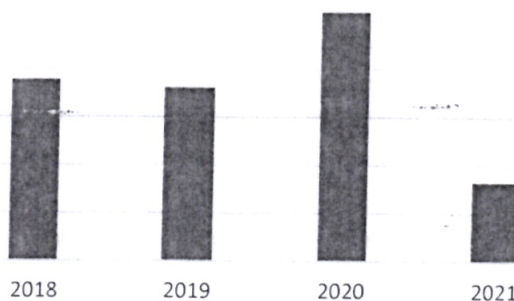


OVERVIEW OF GROWTH IN EXPENDITURE

GROWTH IN EXPENDITURE

YEAR	EXPENDITURE
2018	186,908,862.21
2019	178,561,864.20
2020	259,447,420.64
2021	80,759,360.77

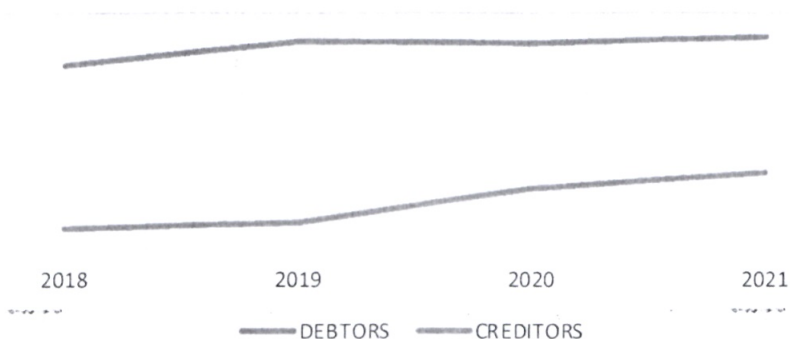
**GROWTH IN EXPENDITURE
EXPENDITURE**



MOVEMENT OF DEBTORS AND CREDITORS

YEAR	DEBTORS	CREDITORS
2018	117,876,520.58	12,807,437.50
2019	132,328,827.37	17,047,341.50
2020	131,540,872.92	38,233,922.65
2021	134,755,381.55	49,036,163.45

MOVEMENT OF DEBTORS AND CREDITORS



CASH AND BANK BALANCES

YEAR	BANK	CASH
2018	39,468,269.53	(379,849.65)
2019	32,243,126.43	130,464.55
2020	22,153,805.73	64,729.20
2021	15,553,232.48	367,543.20

CASH AND BANK BALANCES



b) Teacher Student ratio:

As from January to June 2021 There were 16 Teachers recruited and posted to the School and one Teacher retired.

The School had 76 Teachers employed by Teachers Service Commission and 20 Teachers employed by Board of Management.

The table below shows the number of Teachers required, Present and the shortage per subject.

TEACHING SUBJECT	NO. REQUIRED	PRESENT (TSC)	PRESENT (BOM)	SHORTAGE
CRE	3	3	1	0
KISWAHILI	9	8	4	1
MATHS	11	10	2	1
ENGLISH/LIT	12	11	2	1
BIOLOGY	9	6	3	3
CHEMESTRY	9	9	1	0
PHYSICS	9	9	1	0
B/STUDIES	4	4	1	0
FRENCH	1	1	0	0
DRAWING & DESIGN	1	1	0	0
GEOGRAPHY	4	3	1	1
HISTORY	6	6	0	0
ART/ART	1	1	0	0
COMPUTER	2	1	0	1
AGRICULTURE	1	1	0	0
MUSIC	1	1	1	0
AVIATION	1	0	1	1
PHYSICAL EDUCATION	1	0	1	1
IRE	1	1	0	0
TOTAL	86	76	20	10

Mean score in the 2018,2019 & 2020 KCSE:

YEAR	ENROLLMENT	MEAN	TRANSITION	SCHOOL TARGET	COMMENTS
2020	373	9.410 (B)	351	10.06 (A-)	Negative Deviation of 0.09
2019	353	9.50 (B+)	330	10.05 (B+)	Positive Deviation of 1.488
2018	343	8.012 (B-)	263	11.51(A)	Negative Deviation of 0.901 last Mean grade B

c) Number of Candidates in the 2021 KCSE:

YEAR	NUMBERS
2020	373
2019	353
2018	343

d) Capacity of the school:

i) Students enrolments for the last Three Years

YEAR	NUMBERS
2021	2197
2020	2020
2019	1950
2018	1750

ii) School Facilities

<i>SCHOOL FACILITIES</i>	<i>NUMBER</i>	<i>REQUIRED</i>	<i>SHORTAGE</i>
<i>Dormitories</i>	<i>8</i>	<i>10</i>	<i>2</i>
<i>Dining Hall</i>	<i>3</i>	<i>4</i>	<i>1</i>
<i>Laboratories</i>	<i>9</i>	<i>12</i>	<i>3</i>
<i>Toilets</i>	<i>140</i>	<i>180</i>	<i>40</i>
<i>Library</i>	<i>1</i>	<i>2</i>	<i>1</i>
<i>Classrooms</i>	<i>38</i>	<i>48</i>	<i>5</i>
<i>Chapel</i>	<i>1</i>	<i>2</i>	<i>1</i>
TOTAL	200	258	53

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	Kenya National Highways Authority	Ongoing	149,250,000.00	61,095,208.30	29/02/2022

.....
School Principal

4. Statement of School Management Responsibility

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

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

The Board of Management of *Nairobi 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: Rebecca Murigu

Designation: Chairman, School Board of Management

Date:



.....

Name: Caspal Maina

Designation: School Principal & Secretary to Board of Management

Date:



.....

Name: Anthony King'ori

Designation: Bursar/ Finance Officer

Date: 5/7/21

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 NAIROBI SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 – NAIROBI CITY COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Nairobi School – Nairobi City County set out on pages 1 to 25, which comprise of the statement of assets and liabilities

Report of the Auditor-General on Nairobi School for the six (6) months' period ended 30 June, 2021 – Nairobi City County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nairobi School - Nairobi City County as at 30 June, 2021 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. Accuracy of Financial Statements

The statement of receipts and payments reflects a balance of Kshs.39,481,941 as school fund income - parents' contributions. However, the statement of budgeted versus actual amounts reflects actual school fund income – parents' contributions amount of Kshs.38,712,169 resulting to a variance of Kshs.769,772 which has not been reconciled.

In the circumstances, the accuracy and completeness of the school fund income of Kshs.39,481,941 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects a balance of Kshs.15,920,776 in respect to cash and cash equivalents which includes bank balances of Kshs.15,553,232 which further includes balances of Kshs.27,463 and Kshs.403,941 in respect to savings and school fees collection accounts respectively whose cash books and monthly bank reconciliation statements were not provided for audit.

In addition, the cash and cash equivalents balance includes an amount of Kshs.367,543 in respect to cash in hand which was not supported by a petty cash book and or a cash survey report as at 30 June, 2021.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.15,920,776 could not be confirmed.

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

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.145,909,795 and Kshs.66,873,869 respectively, resulting in underfunding of Kshs.79,035,926 or 54% of the budget. However, the School spent an amount of Kshs.80,759,361 against an approved budget of Kshs.145,909,795 resulting in under-expenditure of Kshs.65,150,434 or 45% of the budget.

In the circumstances, the underfunding and under-expenditure affected the planned activities and negatively impacted on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

The Management presented the annual report and financial statements covering six (6) months from January, 2021 to June, 2021. This was contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya, dated 20 August, 2021 which requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021. Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

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

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

The statement of receipts and payments reflects operations grants amount of Kshs.17,787,532 as disclosed in Notes 2 and 3 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the grants is an amount of Kshs.10,728,122 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.7,089,009 was transferred to infrastructure account, leaving a balance of Kshs.3,639,112 as at 30 June, 2021. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which requires infrastructure grants as well as maintenance and improvement funds to be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operation account.

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

3. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement Plan contrary to Section 2.2 of the Ministry of Education Operation Manual for utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

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

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Ineffectiveness in Textbook Management

Review of the School's library records revealed that there was shortage in respect to eight (8) set books used by form three and form four students. The total number of learners in form three and form four in the year was one thousand and forty-nine (1,049) whereas there were only nine hundred and sixty-nine (969) copies of each of the eight (8) set books resulting in a deficit of eighty (80) books per set book.

In the circumstances, the inadequate students per book ratio may inconvenience learners hence affecting their academic performance.

2. Failure to Maintain Bursaries and Scholarships Records

During the year, the School received bursary disbursements and scholarships from the National Government Constituencies Development Fund and other donors in respect to needy students. However, Management did not maintain a register of beneficiaries for both bursary grants and scholarships indicating the name of beneficiary, admission number, amount received and the financier/donors during the year.

In the circumstances, effectiveness of bursary and scholarship management could not be confirmed.

3. Lack of an Approved ICT Policy and Disaster Recovery Plan

The School uses various computerized information management systems. However, Management did not provide for audit review, an approved ICT Policy, disaster recovery plan and an ICT strategic plan.

In the circumstances, the reliability, integrity and recoverability of the School data in case of a loss could not be confirmed.

4. Failure to Maintain Assets Register

The summary report on performance of the School on page xv of the financial statements revealed that the School had two hundred (200) facilities including thirty eight (38) class rooms, eight (8) dormitories, three (3) dining halls, nine (9) laboratories, a library, a chapel and one hundred and forty (140) toilets. However, Management did not maintain an assets register which could have provided critical information including historical cost, location of the assets, description and serial numbers. Further, annex 2 to the financial statements presents a summary of fixed assets register which did not reflect any historical values of assets, additions during the year and disposals, if any, during the year.

In the circumstances, the existence and valuation of various assets owned by the School could not be confirmed.

5. Lack of Adequate Facilities in the Institution

Analysis of the learning environment of the School revealed that the School had shortages as detailed below. However, Management did not provide evidence of measures taken to reduce the same:

School Facilities	Required	Number in Place	Shortage
Teachers TSC	86	76	10
Dormitories	10	8	2
Dining Hall	4	3	1
Laboratories	12	9	3
Toilets	180	140	40
Library	2	1	1
Classrooms	48	38	10
Chapel	2	1	1

In the circumstances, the effectiveness of service delivery 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 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 September, 2024

Report of the Auditor-General on Nairobi School for the six (6) months' period ended 30 June, 2021 – Nairobi City County

6. Statement Of Receipts and Payments For the Year Ended 30th June 2021

Description Of Vote Head	Note	2020-2021 Kshs	2019-2020 Kshs
Receipts			
Government grants for tuition	1	2,798,353.25	3,751,981.00
Government grants for operations	2	7,900,169.89	26,445,800.00
Government Grants for infrastructure	3	7,089,009.60	54,021,741.25
School fund income- parents' contributions	4	39,481,941.81	86,102,253.25
Miscellaneous incomes	5	9,604,394.80	78,966,048.84
Total Receipts		66,873,869.35	249,287,824.34
Payments			
Tuition	6	2,323,505.00	4,258,955.20
Operations	7	10,365,648.59	31,774,547.40
Infrastructure	8	2,593,675.00	69,401,937.20
Boarding and school fund	9	65,476,532.18	154,011,980.84
Total Payments		80,759,360.77	259,447,420.64
Surplus/Deficit		(13,885,491.42)	(10,159,596.30)

The school financial statements were approved on _____ 2021 and signed by:


.....

Name: Rebecca Murigu

Chairman

Date:


.....

Name: Caspal Maina
School Principal/ Secretary to
BOM

Date:


.....

Name: Anthony Kingori

Bursar/ Finance Officer

Date: 3/7/24

(Compare FY refers to the financial year preceding the current financial year.)

NAIROBI SCHOOL

05 JUL 2024


Ref: 300047

05

7. Statement of Assets and Liabilities As At 30th June 2021


Description	Note	2020-2021	2019-2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	15,553,232.48	22,153,805.73
Cash balances	11	367,543.20	64,729.20
Short term investments	12	-	-
Total cash and cash equivalent		15,920,775.68	22,218,534.93
Account's receivables	13	134,755,381.55	131,540,872.92
Total financial assets		150,676,157.23	153,759,407.85
Financial liabilities			
Accounts payables	14	49,036,163.45	38,233,922.65
Net financial assets		101,639,993.78	115,525,485.20
Represented by			
Accumulated fund b/fwd.	15	115,525,485.20	125,685,081.50
Surplus/deficit for the year		(13,885,491.42)	(10,159,596.30)
Net financial position		101,639,993.78	115,525,485.20

The school's financial statements were approved on _____ 2021 and signed by:



Name: Rebecca Murigu

Chair BOM

Date:


Name: Caspal Maina
School Principal/ Secretary to
BOM

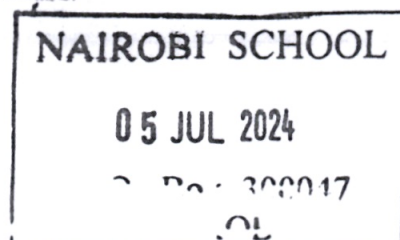
Date:


Name: Anthony Kingori

Bursar/ Finance Officer

Date: 31/7/21

(Comparative FY refers to the financial year preceding the current financial year.)



8. Statement of Cash Flows for the Year Ended 30th June 2021

Description	Note	2020-2021	2019-2020
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,798,353.25	3,751,981.00
Government grants for operations		7,900,169.89	26,445,800.00
Government grants for infrastructure		7,089,009.60	54,021,741.25
School fund income- parents contributions/ fees		44,117,309.00	86,102,253.25
Other incomes		7,048,845.80	78,966,048.84
Total receipts		68,953,687.54	249,287,824.34
Payments			
Cash outflows for tuition		2,046,753.00	4,258,955.20
Cash outflows for operations		10,365,648.59	31,774,547.40
Cash outflows for infrastructure		714,775.00	69,401,937.20
Cash outflows Boarding/lunch and school fund payments		56,248,714.20	154,011,980.84
Cash outflows other incomes		5,875,556.00	
Total payments		75,251,446.79	259,447,420.64
Net cash inflow/outflow from operating activities		(6,297,759.25)	(10,159,596.30)
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2021

Net increase/decrease in cash and cash equivalents		(6,297,759.25)	(10,159,596.30)
Cash and cash equivalent at beginning of the FY		22,218,534.93	32,378,131.23
Cash and cash equivalent at end of the FY		15,920,775.68	22,218,534.93

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(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).

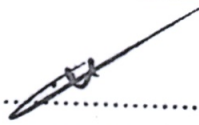
The school's financial statements were approved on _____ 2021 and signed by:



Name: Rebecca Murigu

Chair BOM

Date:



Name: Caspal Maina
School Principal/ Secretary to
BOM

Date:

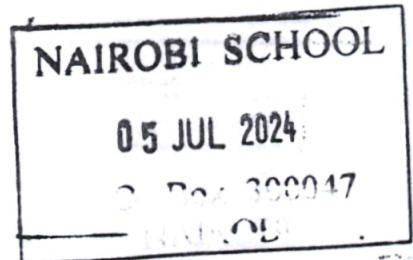


Name: Anthony Kingori

Bursar/ Finance Officer

Date: 3/7/24

(Comparative FY refers to the financial year preceding the current Financial year.)



9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	9,102,665.00	4,551,332.50	13,653,997.50	2,798,241.25	20%
Exams And Assessment					
Others (tuition subsidy) *				112.00	
(2) Capitation Grant on Operations					
Personnel Emoluments	12,408,000.00	6,204,000.00	18,612,000.00	4,656,579.04	25%
Repairs And Maintenance	10,000,000.00	5,000,000.00	15,000,000.00	462,700.00	3%
Local Transport / Travelling	1,880,000.00	940,000.00	2,820,000.00	844,998.18	30%
Electricity And Water	2,256,000.00	1,128,000.00	3,384,000.00	844,998.18	25%
Medical	2,000,000.00	1,000,000.00	3,000,000.00	-	0%
Administration Costs	2,400,000.00	1,200,000.00	3,600,000.00	1,090,894.49	30%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Activity	3,000,000.00	1,500,000.00	4,500,000.00	-	0%
Gratuity					
3) FDSE for infrastructure					
Maintenance &Improvement MoE				7,089,009.60	
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	13,507,600.00	-	13,507,600.00	5,231,360.30	39%
Repairs And Maintenance	1,455,135.00	-	1,455,135.00	1,618,040.40	111%
Local Transport / Travelling	3,713,964.00	-	3,713,964.00	1,145,756.79	31%
Electricity And Water	8,471,135.00	-	8,471,135.00	4,964,439.80	59%
Medical	896,250.00	-	896,250.00	349,578.00	39%
Administration Costs	6,785,100.00	-	6,785,100.00	1,841,963.28	27%
Activity	847,085.00	-	847,085.00	599,816.45	71%
SMASSE					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Fee On Boarding Equipment and Stores	38,273,528.00	-	38,273,528.00	22,961,213.79	60%
5) Miscellaneous Income					
Loans / Borrowing					
Rent income	2,500,000.00	-	2,500,000.00	424,960.00	17%
Income From Farming Activities	1,890,000.00	-	1,890,000.00	1,326,061.00	70%
Insurance Compensation	896,250.00		896,250.00	769,773.00	86%
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment				-	0%
Nursery School	2,000,700.00			1,098,600.00	
Interest Income					
Income From Any Other Investment					
Income Generating KNEC				3,236,888.00	
Mast				488,668.40	
Billboard				1,638,668.40	
Bursary/ Donations				24,200.00	

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
PTA				93,000.00	
Tuition/Main transfer				772,990.00	
Pocket money				9,644.00	
Caution money	103,050.00		103,050.00	7,500.00	
Hire of /main transfer				430,444.00	
Student Id card/cups/mugs				19,200.00	
Development Fund				23,107.00	
Breakages and Losses				10,464.00	
Total Income	124,386,462.00	21,523,332.50	145,909,794.50	66,873,869.35	46%
<i>(6) Expenditure For Tuition</i>					
Textbooks					
Reference Materials					
Exercise Books				264,890.00	
Laboratory Equipment	1,654,335.00	827,167.50	2,481,502.50	1,128,777.00	45%
Internal Exams					
Teaching / Learning Materials	1,700,000.00	850,000.00	2,550,000.00	928,350.00	36%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges				1,488.00	
(7) Expenditure For Operations					
Personnel Emoluments	12,408,000.00	6,204,000.00	18,612,000.00	5,043,230.30	27%
Repairs, Maintenance & Improvements	10,000,000.00	5,000,000.00	15,000,000.00	-	0%
Local Transport / Travelling	1,880,000.00	940,000.00	2,820,000.00	108,696.00	4%
Electricity, Water and Conservancy	2,256,000.00	1,128,000.00	3,384,000.00	3,339,886.00	99%
Medical	2,000,000.00	1,000,000.00	3,000,000.00	202,603.00	7%
Administration Costs	2,400,000.00	1,200,000.00	3,600,000.00	709,532.00	20%
Activity Expenses	3,000,000.00	1,500,000.00	4,500,000.00	62,400.00	1%
Infrastructure				896,869.00	
Bank Charges				2,432.29	
(8) Expenditure For infrastructure					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of classrooms					
Construction of LAB					
Construction of DORMS	10,638,500		10,638,500.00		
Purchase of furniture					
Purchase of equipment					
Repairs ,maintenance & improvements				2,591,583.00	
Bank charges				2,092.00	
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	13,507,600.00	-	13,507,600.00	13,150,214.20	97%
Repairs, Maintenance and Improvements	1,455,184.50	-	1,455,184.50	1,595,559.00	110%
Local Transport / Travelling	3,713,964.00	-	3,713,964.00	1,588,872.98	43%
Electricity, Water and Conservancy	8,471,134.65	-	8,471,134.65	1,253,705.00	15%
Medical Expenses	896,250.00	-	896,250.00	153,588.00	17%
Administration Costs	6,785,100.00	-	6,785,100.00	5,832,503.00	86%
Activity	847,085.00	-	847,085.00	271,686.00	32%
Gratuity					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Lunch Programme					
Boarding Equipment and Stores	38,273,527.70	-	38,273,527.70	34,312,351.00	90%
Expenditure For Income Generating Activity				5,170,872.00	
Insurance Costs	896,250.00	-	896,250.00	210,566.00	23%
Other Expenses On Investments	3,600,000.00	-	3,600,000.00	-	0%
Rent Expenses					
Bank Charges				12,732.00	
Loan Interest Repayment					
Caution Money	877,696.15		877,696.15	1,500.00	
Tender				157,739.00	
Hire-Main Account				602,604.00	
Tuition/Main Transfer				1,162,040.00	
Loan Principal Repayment					
Acquisition Of Assets					
Totals	127,260,627.00	18,649,167.50	145,909,794.50	80,759,360.77	60%

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

- i. 46%
- ii. 55%

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	2,798,241.25	
Others (specify)*	112.00	3,751,981.00
Total	2,798,353.25	3,751,981.00

*Include others as per MOE circulars

2 Government Grants-for Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	4,656,579.04	11,081,601.00
Repairs And Maintenance	462,700.00	9,117,000.00
Local Transport / Travelling	844,998.18	810,800.00
Electricity And Water	844,998.18	1,892,838.00
Medical	-	405,400.00
Administration Costs	1,090,894.49	2,327,361.00
Activity	-	810,800.00
Other Vote Heads (specify)*		
Total	7,900,169.89	26,445,800.00

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2020-2021	2019-2020
	Kshs	Kshs
Maintenance & Improvement-operation	7,089,009.60	9,748,050.00
Maintenance & Improvement-main		44,273,691.25
Transition infrastructure grants		
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
Total	7,089,009.60	54,021,741.25

4 School Fund Income - Parents Contribution/Fees

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	5,231,360.30	9,320,564.36
Repairs and maintenance	1,618,040.40	3,859,743.26
Local transport / travelling	1,145,756.79	2,727,092.00
Electricity and water	4,964,439.80	9,876,032.08
Medical	349,578.00	848,476.00
Administration costs	1,841,963.28	3,973,361.70
Activity	599,816.45	1,221,556.45
Fee on Boarding Equipment and stores	22,961,213.79	52,372,210.94
Insurance	769,773.00	1,903,216.46
PA Levies*		
Others (specify)		
Total	39,481,941.81	86,102,253.25

*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

5 Miscellaneous Incomes

Description	2020-2021	2019-2020
	Kshs	Kshs
Rent Income -Main	108,000.00	202,800.00
Rent Income-Hire of Facility	316,960.00	
Income From Farming Activities	1,326,061.00	6,159,966.00
Nursery School	1,081,000.00	
Nssf pta	6,400.00	
Fees Arrears Nursery	5,000.00	
Tender	-	275,000.00
Fees Prepayments Nursery	6,200.00	
Income generating Knec	3,236,888.00	-
Mast	488,668.40	
Billboard-Hire of facility	488,668.40	
Billboard-Main	1,150,000.00	
Bursary/Donations	24,200.00	
PTA	93,000.00	
Creditors-Tuition	-	174,830.00
Main-Operation		15,000,000.00
Tuition/Main Transfer	772,990.00	
Pocket Money	9,644.00	33,552.00
Caution Money	7,500.00	2,057,503.40
Income from grants and donations		20,000.00
Other Incomes		12,802,955.56
Creditors-main		219,300.00
Hire/Main Transfer	430,444.00	
Transfers	-	39,584,517.41
Interest income	-	4,235.87
Students id card/cups/mugs	19,200.00	
Fee For Hire of Ground and Equipment	-	2,384,216.60
Development fund	23,107.00	-
Breakages and losses	10,464.00	47,172.00
Total	9,604,394.80	78,966,048.84

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

*Ensure proper authorization from MOE before obtaining loans/borrowings.

*Indicate what other income relates to including income arising from write backs if any.

Notes to the Financial Statements (continued)

6 Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Exercise Books	264,890.00	2,418,595.20
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	1,128,777.00	312,555.00
Teaching / Learning Materials	928,350.00	1,087,360.00
Bank Charges	1,488.00	1,500.00
Others (creditors)		438,945.00
Total	2,323,505.00	4,258,955.20

7 Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	5,043,230.30	9,084,588.70
Service Gratuity	-	-
Administration Cost	709,532.00	294,052.00
Repairs And Maintenance & Improvements	-	914,424.50
Local Transport / Travelling	108,696.00	245,562.00
Electricity And Water	3,339,886.00	3,885,914.00
Medical	202,603.00	97,605.00
Activity Expenses	62,400.00	-
Insurance Cost	-	-
Bank Charges	2,432.29	-
Others-Main account	-	17,252,401.20
Others-Infrastructure	896,869.00	
Total	10,365,648.59	31,774,547.40

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2020-2021	2019-2020
	Kshs	Kshs
Others-Operations Account		17,642,732.00
Others-Main Account		51,751,495.60
Others Repairs, maintenance & improvements	2,591,583.00	-
Bank Charges	2,092.00	7,709.60
Total	2,593,675.00	69,401,937.20

9 Boarding and School Fund

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	13,150,214.20	17,710,560.44
Repairs And Maintenance & Improvements	1,595,559.00	10,921,128.40
Local Transport / Travelling	1,588,872.98	1,952,585.20
Electricity And Water	1,253,705.00	4,988,558.36
Medical Expenses	153,588.00	572,747.00
Administration Costs	5,832,503.00	11,169,502.00
Activity	271,686.00	1,473,889.00
Tender	157,739.00	143,639.00
Students Id/cups/mugs	-	174,900.00
Bursary	-	752,860.00
Exchange program me	-	2,752,382.00
Prepaid fees	-	31,867,697.75
Bank charges-Main Account	11,352.00	9,123.60
Bank charges-Hire of facility	180.00	-
Bank charges-Pta account	1,200.00	-
Nssf pta account	17,200.00	-
Hire main account	602,604.00	-
Tuition/Main account	1,162,040.00	-
Expenses On Income Generating Activities**farm	855,986.00	-
Expenses On Income Generating Activities**nursery school	287,400.00	7,590,214.00
Mast	766,800.00	-
Billboards	1,158,381.00	-

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Fee On Boarding Equipment and Stores	34,312,351.00	29,020,588.48
Transfer		23,193,236.21
Caution money	1,500.00	69,500.00
Creditors-Main Account	-	8,450,489.40
Salary advance	-	97,064.00
Rent Expenses	-	720,926.00
Insurance	210,566.00	380,390.00
Knec marking	2,085,105.00	-
Total	65,476,532.18	154,011,980.84

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2020-2021	2019-2020
	Active/Dormant		Kshs	Kshs
KCB - Tuition Account	Active	1107119510	1,313,393.50	561,793.25
KCB - Operations Account	Active	1107119642	2,214,832.10	6,706,941.20
KCB - School Fund Account/Boarding	Active	1106826567	(38,255.75)	880,261.45
KCB - Savings Account	Active	1108502369	27,462.88	28,566.88
KCB - Infrastructural Account	Active	1271989980	8,902,167.00	5,554,942.00
CO-OP Bank - School Fees Collection Account	Active	01129084055400	403,941.25	6,623,557.25
EQUITY-PTA Account	Active	0550298106892	1,234,743.75	156,600.75
ABSA- Hire of Facility	Active	2026474070	1,494,947.75	1,641,142.95
Total			15,553,232.48	22,153,805.73

11 Cash in Hand

Description	2020-2021	2019-2020
	Kshs	Kshs
Operation Account	148,868.00	-
School Fund Account/Boarding	(99,066.80)	64,729.20
PTA Account	197,432.00	-
Hire of Facility	120,310.00	-
Total	367,543.20	64,729.20

12 Short Term Investments

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Total		

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears	134,628,217.55	131,398,808.92
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	171,064.00	142,064.00
Imprest (list/schedule attached)		-
R/d cheques	18,500.00	
Rent arrears (list/schedule attached)	-	-
Total	134,755,381.55	131,540,872.92

13 b Ageing Analysis of Accounts Receivable

Description	2020-2021		2019-2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	4,294,607.62	3%	5,398,545.26	4%
Between 1- 2 years	5,398,545.26	4%	20,549,890.60	16%
Between 2-3 years	19,611,855.61	15%	105,450,373.06	80%
Over 3 years	105,450,373.06	78%		0%
Total (should tie to note 13 a)	134,755,381.55	100%	131,398,808.92	100%

14 Accounts Payable

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
Trade Creditors (See Ageing Below and Appendix 1)	12,227,010.88		6,562,134.90	
Prepaid Fees	36,809,152.57		31,671,787.75	
Retention Monies	-		-	
Unpaid salaries and statutory deductions	-		-	
Caution money	-		-	
Total	49,036,163.45		38,233,922.65	

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2020-2021		2019-2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	12,223,890.98	100%	6,562,134.90	100%
Between 1- 2 years	3,119.90	0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (should tie to note 14)	12,227,010.88	100%	6,562,134.90	100%

15 Fund Balance Brought Forward

Description	2020-2021		2019-2020	
	Kshs		Kshs	
Bank Balances	22,153,805.73		32,240,809.08	
Cash Balances	64,729.20		137,322.15	
Short Term Investments	-		-	
Receivables	131,540,872.92		131,540,872.92	
Payables	38,233,922.65		38,233,922.65	
Total	115,525,485.20		125,685,081.50	

Other important disclosure notes

IPSAS Cash Standard 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.

16 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

17 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	31		
Goats	0		
Trees	3000		
Coffee Or Tea Plantation	0		
Pigs	12		
Poultry	0		
Others (specify)			
Total			

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	0	0
Balance at the end of the year	0	0

Other important disclosure notes

19 Stock/ Inventory

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

20 Progress On Follow Up of Auditor Recommendations

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

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

--	--	--	--

Sign and Date
Principal

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						

Supply Of Goods

4. ADVATECH SUPPLIES LTD	8,110.00	30/6/2021		8,110.00		
5. ALEXA STATIONERS AND PRINTERS LTD	155,580.00	3/6/2021		155,580.00		
6. ASOKO ENGINEERS	101,200.00	4/1/2021		101,200.00		
7. BAKERS CORNER CO. LTD	1,878,900.00	30/6/2021		1,878,900.00		
8. BEST MERGE COMPUTERS LTD	34,800.00	29/6/2021		34,800.00		
9. CEJTEC KENYA LIMITED	118,720.00	30/6/2021		118,720.00		
10. CERTAIN TWO SERVICES	36,670.00	22/6/2021		36,670.00		
11. CHEMSOLS LIMITED	133,500.00	16/6/2021		133,500.00		
12. CITICOM ENTERPRISES	58,500.00	25/6/2021		58,500.00		

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. COPIERFORCE (K) LTD	214,438.00	12/5/2021		214,438.00		
14. CRYSTAL GLAZING AND TRADERS	16,262.00	10/6/2021		16,262.00		
15. CYKA FRESH LTD	383,040.00	30/6/2021		383,040.00		
16. DIVINE-TEC BUSINESS SOLUTION	221,700.00	1/3/2021		221,700.00		
17. DOLPHIN STATIONERS LTD	91,355.98	15/6/2021		91,355.98		
18. DON RABINA TRADING	20,000.00	17/6/2021		20,000.00		
19. ELISATECH DIAGNOSTICS E.A LTD	14,000.00	29/6/2021		14,000.00		
20. FIFTH IVORY ENTERPRISES	95,200.00	31/5/2021		95,200.00		
21. GLEDIX LTD	72,000.00	24/6/2021		72,000.00		
22. GLOBAL SCAPE LTD	102,470.00	3/5/2021		102,470.00		
23. HILLCOM ENTERPRISE	42,050.00	9/6/2021		42,050.00		
24. INDUSTRY WIDE ENTERPRISES	862,272.00	13/5/2021		862,272.00		
25. INTERMASS STATIONERS & PRINTERS LTD	74,440.00	13/5/2021		74,440.00		
26. JOMFAN ENTERPRISES LTD	409,500.00	30/6/2021		409,500.00		
27. KERMAN TRADING COMPANY LTD	46,800.00	13/5/2021		46,800.00		
28. LEGACY LAB AFRICA LTD	66,920.00	23/6/2021		66,920.00		
29. LIDAV ENTERPRISES LTD	6,120.00	25/6/2021		6,120.00		
30. MARCONSTRA ENTERPRISES	84,200.00	17/6/2021		84,200.00		
31. MARIASUE SERVICES LTD	52,800.00	16/2/2021		52,800.00		

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
32. MASONGALENI AGROVET	110,020.00	11/6/2021		110,020.00		
33. MEISERTEXT LIMITED	25,960.00	22/6/2021		25,960.00		
34. MORIS ONE ENTERPRISES LTD	10,500.00	22/6/2021		10,500.00		
35. NAIROBI SCHOOL PTA ACCOUNT	753,120.00	30/6/2021		753,120.00		
36. NIIBA FOODS LIMITED	1,210,000.00	17/5/2021		1,210,000.00		
37. OCEANTECH SOLUTIONS LIMITED	22,040.00	14/6/2021		22,040.00		
38. PETRO OIL KENYA LTD	33,347.00	9/6/2021		33,347.00		
39. PINTEXT LIMITED	183,025.00	24/6/2021	7,800.00	175,225.00		
40. PRECISE LAB AFRICA LIMITED	7,800.00	16/5/2021		7,800.00		
41. PROMISE TRADERS LTD	164,000.00	28/6/2021		164,000.00		
42. PROTIST LAB AFRICA LTD	3,600.00	22/6/2021		3,600.00		
43. QUALITY MEAT PACKERS LTD	302,821.00	29/6/2021		302,821.00		
44. RAY-LIGHT TRADERS & SUPPLIES LTD	8,200.00	14/6/2021		8,200.00		
45. RENSHA ENTERPRISES LTD	106,498.00	24/6/2021		106,498.00		
46. ROSTEPHO GREEN GROCERIES	28,100.00	28/6/2021		28,100.00		
47. SCHOOL OUTFITTERS	69,610.00	25/6/2021		69,610.00		
48. SIX SPEED LIMITED	639,365.00	28/6/2021		639,365.00		
49. SKYLAR ELECTRICALS & HARDWARE (K) LTD	374,588.00	29/6/2021	9,000.00	365,588.00		
50. SKYTECH AFRICA SUPPLIES LTD	23,580.00	15/6/2021		23,580.00		

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
51. STEKE KENYA LTD	192,922.00	26/6/2021		192,922.00		
52. SYPSAN ENTERPRISES	76,000.00	7/6/2021		76,000.00		
53. TALENT MEAT SOLUTIONS LTD	1,749,140.00	30/6/2021		1,749,140.00		
54. TEXT BOOK CENTRE LTD	11,190.00	4/6/2021		11,190.00		
55. THE COPY CAT LTD	322,480.00	13/5/2021		322,480.00		
56. UGANDA ELECTRICALS (K) LTD	4,868.00	27/11/2020	6,096.00	-1,228.00		
57. UNIFORM DISTRIBUTORS LTD	3,225.00	29/6/2021		3,225.00		
58. WADUKHU SUPPLIERS	100,680.00	27/4/2021		100,680.00		
59. ZENY BLU SUPPLIES	308,560.00	30/4/2021		308,560.00		
Sub-Total	<u>12,246,786.98</u>		<u>22,896.00</u>	<u>12,223,890.98</u>		
Supply Of Services						
Sub-Total						
Grand Total	<u>12,246,786.98</u>		<u>22,896.00</u>	<u>12,223,890.98</u>		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
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).

