

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 JUN 2026

DAY.

Thursday

REPORT

TABLED

BY:

Hon. Samuel Chepkonga

(on behalf of leader of majority)

CLERK-AT
THE-TABLE:

Wemba

OF

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

NAKAMI FRIENDS
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

TRANS NZOIA COUNTY



NAKAMI FRIENDS SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

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

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I. Key School Information and Management

(a) Background information

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

The school was registered in 1993 under registration number GP/A/168/93 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a day/boarding school and had 720 number of students as at 30th June 2022. It has 12 streams and 22 teachers of which 11 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	George Kilong	Chairman	29/05/2019
2	John M. Wasike	Secretary- Principal	29/05/2019
3	Rosemary Ngeywa	Member	29/05/2019
4	Nancy Iyadi	Member	29/05/2019
5	David Mulinda	Member	29/05/2019
6	Boiyo Manyorio	Member-Community	29/05/2019
7	Margret Sessi	Member	29/05/2019
8	Florence Cheres	Member – Rep CEB	29/05/2019
9	Kihara Macharia	Member Rep Teachers	29/05/2019
10	George Kilong Maryanne Wanyonyi Dorothy Khisa	3 Members - Sponsor	29/05/2019
11	Christopher Masika	Member	29/05/2019
12	Kortok Mwanga	Member	29/05/2019
13	Kevin Matumbai	Rep Students	29/05/2019

Key School Information and Management

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

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Reports and Financial Statements For the year ended 30th June 2022

- 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	George Kilong Margret Sessi Samson Ereka David Mulinda John Wasike	Chairman Member Member Member Sec.	7
2	Audit Committee	Rosemary Ngeywa John Wasike Margret Sessi Nancy Iyadi	Chair Sec Member Member	2
3	Finance, procurement and general purposes Committee	John wasike Ereka samson Maryanne Wakwoma George kilong Kortok Mwanga	Chair Member Member Member Member	3
4	Academic Committee	Christopher Masika Kennedy Sirengo Boiyo Manyorio Julia Juma Dorothy Khisa	Chairman Member Member Member Member	9
5	Development Committee	Rosemary Ngeywa John Wasike George Kilong Ereka Samson Margret Sesi	Chair Sec Member Member Member	1
6	Discipline and welfare Committee	Christopher Masika Kennedy Sirengo Sylvester Barasa Maryanne Wakwoma Erick Walela Edith Andia	Chairperson Member Member Member Member Member	2
7	Adhoc Committee (if any during the year)	Tender opening Evaluation/awarding Inspection		2 1 2

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	JOHN M. WASIKE	287447
2	Deputy Principal	LUCIA N. C MASAI	295247
3	School Bursar	HUDSON BARASA	8659897-ID

(e) Schools contacts

Post Office Box: 3870
Telephone: 0713459282
E-mail: nakamisecondary49@gmail.com
Website:
Facebook:
Twitter:

(f) School Bank accounts

The operated 5 number of bank accounts in the following banks:

1. Name of Bank: National Bank Of Kenya
Branch: Kitale
Account Number: 01021048815301 operational account
01025048815300 Tuition Account
2. Name of Bank: Kenya Commercial Bank
Branch: Kitale
Account Number: 1159774269 School Fund and other Monies
1253891486 Infrastructure Account
3. Name of Bank: Sidian Bank
Branch: Kitale.
Account Number: 01026030001744 CDF account
4. MPESA Pay Bill No. 522123 attached to 1159774269 bank

2. Independent Auditors

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

Summary Report Of Performance Of The School

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

a) Financial performance:

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

YEARS	DEFICIT/SURPLUS
30th june 2022	5,639,409
30th june 2021	5,063,083

- Capitation grants from the Ministry of Education for the last two years

YEAR	TUITION ACCOUNT	OPERATION ACCOUNT
30TH JUNE 2022	2,109,835	13,567,600
30TH JUNE 2021	2,947,269	13,259,690

- Ratio of capitation grant per student over the last two years

Periods	Grants	Number of students	Ratio
2021-2022	16,206,959	720	1:14,867
2020-2021	15,681,668	720	1:8,705

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

PERIOD	AMOUNT
2021-2022	13,982,335
2020-2021	12,431,602

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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

PERIOD	AMOUNT
2021-2022	24,549,885
2020-2021	23,045,594

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

PERIOD	DEBTORS	CREDITORS
2021-2022	29,546,313	2,858,927
2020-2021	23,409,023	3,509,893

-Movement of cash and bank balances over the last two years

PERIOD	CASH	BANK
2021-2022	-	82,399
2020-2021	15,724	1,215,522

b) Teacher Student ratio:

Period	No of students	TSC	BOM Teachers	Transfer	Ratios	Shortage
2021-2022	720	12	11	1	1:33	18
2020-2021	720	11	11	0	1:33	18

No teacher was posted that year and none retired.

c) Mean score in the 2021KCSE:

Period	candidates	Higher institutions	Mean score	Set score	Remarks
2021-2022	125	106	4.2	5.1	Dropped, not attained
Jan-jun 2021	167	132	4.5	5.1	Improved, not attained

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d) Number of Candidates in the 2020-2022 KCSE:

Period	No of candidates
2021-2022	125
2021	167
2020	161

e) Capacity of the school:

Facilities	Available	Capacity	No of students	Shortage
Dormitory	2	160	720	3
Dining hall	1	800	720	-
Classroom	12	45	720	4
Laboratory	2	100	720	1
Toilets	52		720	-

Summary Report of the Performance of the School

f) Development projects carried out by the school:

Projects	Source of Funds	Amount	Status
Classrooms	M.O.E	800,000	Completed
8 Door latrine	MOE	423,306	Completed

School Principal

S. Sabina
SCHOOL SECRETARY
NAKAMI FRIENDS SEC. SCHOOL
P.O. Box 3870 - 30200, KITALE
 DATE:..... SIGN:.....

III. Statement Of School Management Responsibility

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

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

The Board of Management of Nakami Friends 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, 2022, and of the school's financial position as at that date.

.....
Name: Kihuyi Mukonaambi
Designation: Chairman, School Board of Management
Date: 13/4/2026

.....
Name: Oyo S.
Designation: School Principal & Secretary to Board of Management
Date: 13/4/26

.....
Name: Maryng Simiyu
Designation: Bursar/ Finance Officer
Date: 13/4/2026

B.O.M. SECRETARY
NAKAMI FRIENDS SEC. SCHOOL
P.O. Box 3870 - 30200 KITALE
DATE: SIGN:

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 NAKAMI FRIENDS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – TRANS NZOIA COUNTY

PREAMBLE

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

- A. Report on 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 the 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 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, 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 Nakami Friends Secondary School set out on pages 1 to 24, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022 and the statement of receipts and payments,

Report of the Auditor-General on Nakami Friends Secondary School for the year ended 30 June, 2022 – Trans Nzoia County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nakami Friends Secondary School as at 30 June, 2022 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. Discrepancies in the Comparative Amounts

The statement of cash flows indicates a comparative amount of Kshs.1,177,696 in respect to net increase in cash and cash equivalents. However, the amount differs from the balance of Kshs.786,711 reflected in the previous year 2020/2021 audited financial statements, resulting to unreconciled variance of Kshs.390,985.

Further, Note 13 to the financial statements in respect of fund balance brought forward indicates a comparative balance of Kshs.21,130,376 which differs from the amount of Kshs.16,063,060 reflected in the previous year 2020/2021 audited financial statements, resulting in an unreconciled variance of Kshs.5,067,316.

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

2. Inaccuracies in the Statement of Cash Flows

The statement of cash flows indicates cash and cash equivalents balance of Kshs.2,566,027. However, the balance differs from the amount of Kshs.82,399 reflected in statement of financial assets and financial liabilities, resulting in an unreconciled variance of Kshs.2,483,628.

In the circumstances, the accuracy and completeness of net cash and cash equivalents balance of Kshs.2,566,027 could not be confirmed.

3. Variances in the Statement of Receipts and Payments

The statement of receipts and payments indicates amounts which were at variance with those indicated in their respective supporting schedules as follows;

S/No.	Item	Amount in the Statement of Receipts and Payments (Kshs)	Amount as per the Supporting Schedules (Kshs)	Variance (Kshs)
1	Government Grants for Tuition	2,947,269	2,184,631	762,638
2	Government Grants for Operations	13,259,690	9,148,956	4,110,965

S/No.	Item	Amount in the Statement of Receipts and Payments (Kshs)	Amount as per the Supporting Schedules (Kshs)	Variance (Kshs)
3	School Fund Income - Parents Contributions	12,366,845	3,236,156	9,130,689
4	School Fund Income - Other Receipts	1,615,490	-	1,615,490
5	Payments for Tuition	2,553,418	2,354,728	198,690
6	Payments for Operations	10,167,075	9,364,237	802,838
7	Payments for Boarding and School Fund	11,829,392	11,716,952	112,440

The above variances were not explained or reconciled.

Further, the statement of receipts and payments reflects payments for Boarding and School Fund amounting to Kshs.11,829,392 and as disclosed in Note 7 to the financial statements. However, recasting of the corresponding disclosure Note 7 indicates a total amount of Kshs.11,204,392, resulting in an unreconciled variance of Kshs.625,000.

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

4. Unsupported Accounts Receivables Balance

The statement of financial assets and financial liabilities, and Note 11 to the financial statements reflects accounts receivables balance of Kshs.29,546,313. However, the supporting ledgers, issued invoices, ageing analysis and policy on the impairment of long outstanding fees arrears were not provided for audit review. Further, the balance includes receivables amounting to Kshs.19,470,675 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.29,456,313 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Nakami Friends Secondary 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.32,557,880 and Kshs.30,189,294 respectively resulting to an under-funding of Kshs.2,368,586 or 7% of the budget. Similarly, the school spent a total of Kshs.24,549,885 against actual receipts of Kshs.30,189,294 resulting to an underutilization of Kshs.5,639,409 or 19% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively 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 judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on page iii to ix which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the school's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the financial year 2021/2022 for Nakami Friends Secondary School were submitted for audit on 2 April, 2025. However, the submission was thirty (30) months later after the set submission statutory deadline of 30 September, 2022. This was contrary to Regulation 101(4) of the Public Finance Management (National Government)

Regulations, 2015 which requires an Accounting Officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed by the Public Sector Accounting Standards Board, not later than three months after the end of the financial year and submit them to the Auditor-General with a copy to the Controller of Budget and the National Treasury.

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

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

Review of the annual report and financial statements for Nakami Friends Secondary School revealed the following anomalies;

- i. The table of contents did not include acronyms and definitions of terms, report of the independent auditors, and annexures to the financial statements.
- ii. The report of the independent auditors was presented after statement of cash flows contrary to prescribed template which requires the report to appear before the financial statements.
- iii. The header indicates reports and financial statements instead of the prescribed Annual reports and financial statements.

This was contrary to Section 81(1) of the Public Financial Management Act, 2012 which states that the Accounting Officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed and published by the Public Sector Accounting Standards Board from time to time.

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

3. Discrepancy of Student Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.2,947,269 and Kshs.13,259,690, respectively, as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total of four hundred and sixty-six (466) students while the enrolment records provided by the school indicated a total of eight hundred and fifteen (815) students, resulting in an unexplained variance of three hundred and forty-nine (349) students.

This was contrary to the Ministry of Education Circular Ref. MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

Further, the school did not provide individual student signed form-lists showing admission numbers, full names and amounts allocated which were submitted to the County Director of Education (CDE) through the Sub-County Director of Education as stipulated in Ministry of Education Circular Ref. No. MOE.HQS/3/10/16 TY/(11) dated 8 October, 2021.

Further, evidence of acknowledgement of receipt of funds by uploading of official receipts in NEMIS and display of the receipts for capitation funds and the accompanying circular on the School noticeboard was not done.

In the circumstances, the reliability of the student's enrolment data used to determine capitation grants could not be confirmed.

4. Failure to Prepare a School Improvement Plan

During the year 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.

5. Non-Adherence to Ethnic and Affirmative Action Requirement

Review of the June, 2022 payroll indicate a total of forty-four (44) staff which comprises fourteen (14) Board of Management (BoM) teachers and twenty-two (22) support staff. However, twelve (12) or 58% of teachers and seventeen (17) or 53% of support staff belonged to one ethnic community. Further, no persons with disabilities was employed in School or accorded with employment opportunities. This was contrary to Article 27 of the Constitution of Kenya and Section 21 of the Persons with Disabilities Act, 2025.

In addition, there was no documentary evidence of reservation of 30% of procurement opportunities to Youth, Women and Persons with Disabilities, contrary to Articles 10 and 232(1)(h) of the Constitution.

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

6. Non-Compliance with Basic Education Act, 2013

During the year under review, the Board of Management did not have a policy on the payment of allowances to Board members, attendance registers, an Annual Work Plan and a Board Charter. This was contrary to the fourth schedule of the Basic Education Act, 2013, Part 1.12 which states that members of a Board of Management shall be paid in respect of their services such allowances as the Board of Management shall, with the approval of the Cabinet Secretary, determine.

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

7. Failure to Prepare Bank Reconciliation Statements

During the year under review, bank reconciliation statements for the school's four (4) bank accounts were not prepared as required by Regulation 90 of the Public Finance Management (National Government) Regulations, 2015 which requires the accounting officers shall ensure bank accounts reconciliations are completed for each bank account

held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the National Treasury with a copy to the Auditor-General.

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

8. Failure to Prepare an Annual Procurement Plan

During the year under review, the Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process.

This was contrary to Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 states which that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process. Further, Regulation 40(4) states that the consolidated annual procurement plan shall be prepared by the accounting officer of the procuring entity and approved by the Cabinet Secretary, or county executive committee member of finance responsible for that entity or, where applicable, by the board of directors or a similar body.

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

9. Partial Implementation of School Management System

The school procured a School Management System (JBS) for the automation of the cash books and the entire accounting system. However, the system did not post receipts and payments transactions to the relevant ledgers accurately making the school to opt for manual recording of transactions. Further, the Service Level Agreement showing key deliverables in terms of system hardware and modules, location and management of backups, and timelines for implementation of the system modules was provided for audit review.

In the circumstances, the value for money may not be realized in procurement of the system.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 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 effect of 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. Lack of Land Ownership Documents

Review of documents provided for audit revealed that the School was allocated a parcel of land measuring 18 acres by The Ministry of Cooperative Development and Marketing through allotment letter REF No. CS/2797/GEN/TEMP/113 dated 27 April, 2007. However, there was no documentary evidence to show that Board of Management made any efforts to initiate the legal transfer of the land and acquire a title-deed in the school's name.

In the circumstances, the ownership status of land parcel could not be confirmed.

2. Lack of Policy on Fees Collection in Cash

The statement of receipts and payments and Note 3 to the financial statements reflects school fund income-parents contributions amount of Kshs.12,366,845. The amount includes collections of Kshs.754,850 in respect to direct cash receipts in the school. However, there was no documented policy or procedure outlining how cash collected was safeguarded, banked, and independently verified. Further, there were no daily cash summaries.

In the circumstances, the existence of an effective of cash management system could not be confirmed.

3. Lack of Policy Documents

During the period under review, Management had not established a Disaster Management and Recovery Policy, Risk Management Policy, Business Continuity Plan and Finance Policy and Procedure Manual to ensure smooth running of its operations.

In the circumstances, the effectiveness of the internal controls 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 the 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 governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 April, 2026

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

IV Statement Of Receipts And Payments Period To 30th June 2022

Description Of Vote Head	Note	30 th June 2022	30 th June 2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,947,269	2,109,835
Capitation grants for operations	2	13,259,690	13,567,600
School fund income-parents' contributions	3	12,366,845	12,173,186
School fund income- other receipts	4	1,615,490	258,416
Total Receipts		30,189,294	28,109,037
Payments			
Payments for tuition	5	2,553,418	1,563,600
Payments for operations	6	10,167,075	12,320,783
Boarding and school fund payments	7	11,829,392	9,161,571
Total payments		24,549,885	23,045,954
Surplus/Deficit		5,639,409	5,063,083

The school financial statements were approved on 30th June 2022 and signed by:

.....
K.M

Name: *Kityi Mykoncam*
Maryna Simitu

Chair BOM

Date: *13/4/2026*

.....
Sabala

Name: *Omyo S.*
 School Principal/ Secretary to
 BOM

Date: *13/4/26*

B.O.M. SECRETARY
NAKAMI FRIENDS SEC. SCHOOL
P.O. Box 3870 - 30200, KITALE
 DATE:.....SIGN:.....

.....
S

Name: *Maryna Simitu*

Bursar/ Finance Officer

Date: *13/4/2026*

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

V. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

Description	Note	30 th 2022	30 th June 2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	82,399	1,215,522
Cash balances	9		15,724
Short term investment	10		
Total cash and cash equivalent		82,399	1,231,246
Account's receivables	11	29,546,313	23,409,023
Total financial assets		29,628,712	24,640,269
Financial liabilities			
Accounts payables	12	(2,858,927)	(3,509,893)
Net financial assets		26,769,785	21,130,376
Represented by			
Accumulated fund b/fwd	13	21,130,376	16,063,060
Surplus/deficit for the year		5,639,409	5,063,083
Net financial position		26,769,785	21,130,376

The school's financial statements were approved on 30th June 2022 and signed by:

..... K.M
Name: Kithyi mukomambi
Chair BOM
Date: 13/4/2026

..... Sabot
Name: Oyo
School Principal/ Secretary to
BOM
Date: 13/4/2026

..... ST
Name: Maryna Ginity
Bursar/ Finance Officer
Date: 13/4/2026

B.O.M. SECRETARY
NAKAMI FRIENDS SEC. SCHOOL
P.O. Box 3870 - 30200, KITALE
2 SIGN:.....
DATE:.....

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Statement of Cash Flow for The Period Ended 30th June 2022

Description	Notes	30 th June 2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	2,947,269	2,109,835
Capitation grants for operations	2	13,259,690	13,567,600
School fund income- parents contributions/ fees	3	12,366,845	12,173,186
School fund income- other receipts	4	1,615,490	258,416
Total receipts		30,189,294	28,109,037
Payments			
Payments for tuition	5	2,553,418	1,563,600
Payments for operations	6	10,167,075	12,320,783
Boarding and school fund payments	7	11,829,392	9,161,571
Total payments		24,549,885	23,045,954
Net cash flow from operating activities		5,639,409	5,063,083
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets		(4,304,625)	(4,276,372)
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities		(4,304,625)	(4,276,372)
Cashflow from borrowing activities			
Proceeds from borrowings/ loans			-
Repayment of principal borrowings			-
Net cash flow from financing activities			
Net increase in cash and cash equivalents		1,334,781	1,177,696
Cash and cash equivalent at beginning of the year		1,231,246	53,550
Cash and cash equivalent at end of the year		2,566,027	1,231,246

I. Report Of The Independent Auditors

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
(1) Capitation Grant on Tuition						
Textbooks And Reference Materials	165,760		165,760	814,780		
Exercise Books	500,000		500,000	139,677	360,323	28%
Laboratory Equipment	660,320		660,320	512,147	148,173	78%
Internal Exams	700,000		700,000	488,868	211,132	70%
Teaching / Learning Materials	1,032,200		1,032,200	991,799	40,401	96%
Chalks						
Exams And Assessment						
Teachers Guides	132,600		132,600			
Totals	3,190,880		3,190,880	2,947,269		92%
(2) Capitation Grant on Operations						
Personnel Emoluments						
Repairs And Maintenance	3,850,000		3,850,000	3,540,000		92%
Local Transport / Travelling						
Other Voteheads	8,547,000		8,547,000	8,319,690		97%
Medical	1,540,000		1,540,000	1,400,000		91%
Administration Costs						
Activity	-		-	-		
Gratuity						

Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Smasse						
Totals	13,937,000		13,937,000	13,259,690	677,310	95%
<i>(3) Fees Charged on Parents</i>						
Personnel Emoluments	1,667,500		1,667,500	1,457,500	210,000	87%
Repairs And Maintenance	500,000		500,000	400,000	100,000	80%
Local Transport / Travelling	162,500		162,500	142,500	20,000	88%
Electricity And Water	625,000		625,000	600,000	25,000	96%
Administration Costs	462,500		462,500	400,000	62,500	87%
Activity	125,000		125,000	125,000		100%
Lunch	4,680,000		4,680,000	4,500,000	180,000	96%
Fee On Boarding Equipment and Stores	5,207,500		5,207,500	4,741,845	465,655	91%
Totals	13,430,000		13,430,000	12,366,845	1,063,155	92%
<i>Other Income</i>						
Rent Income						
Income From Farming Activities	1,400,000		1,400,000	1200,000	67,510	
Income From Posho Mill						
Income From Bus Hire	600,000		600,000	415,490	50,000	
Fee For Hire of Ground And Equipment						
Interest Income						

Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Income From Any Other Investment						
Totals	2,000,000		2,000,000	1,615,490	117,510	
TOTAL INCOME	32,557,880		32,557,880	30,189,294		
(1) Expenditure For Tuition						
Textbooks And Reference Materials						
Exercise Books	500,000		500,000	512,147	(12,147)	102%
Laboratory Equipment	660,320		660,320	588,868	71,452	89%
Internal Exams	700,000		700,000	497,946	202,054	71%
Teaching / Learning Materials	1,032,200		1,032,200	814,780	217,420	79%
Chalks						
Exams And Assessment						
Teachers Guides	132,600		132,600	139,677	(7,077)	105%
Administration Costs						
Bank Charges						
Totals	3,025,120		3,025,120	2,553,418	471,702	84%
(2) Expenditure For Operations						
Personnel Emoluments						
Repairs, Maintenance & Improvements	3,850,000		3,850,000	3,231,000	619,000	84%
Local Transport / Travelling	8,547,000		8,547,000	5,736,075	2,810,925	67%
Other Voteheads						
Medical	1,540,000		1,540,000	1,200,000	340,000	78%
Other Voteheads						

Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Activity Expenses						
Gratuity						
Smasse						
Totals	13,937,000		13,937,000	10,167,075		73%
<i>(3) Expenditure For School Fund</i>						
Personnel Emoluments	1,667,500		1,667,500	1,400,000	227,500	84%
Repairs, Maintenance and Improvements	500,000		500,000	400,000	100,000	80%
Local Transport / Travelling	162,500		162,500	150,000	12,500	92%
Electricity, Water and Conservancy	625,000		625,000	625,000		100%
Other Voteheads						
Administration Costs	462,500		462,500	300,000	162,500	65%
Activity	125,000		125,000	125,000		100%
Gratuity						
Lunch Programme	4,680,000		4,680,000	4,200,000	480,000	90%
Boarding Equipment and Stores	5,207,500		5,207,500	4,629,392	5278,108	89%
Expenditure For Income Generating Activity						
Farm expenses						
Other Expenses On Investments						
Rent Expenses						
Bus Hire						
Loan Interest Repayment						

Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Loan Principal Repayment						
Acquisition Of Assets						
Totals	13,430,000		13,430,000	11,829,392	1,600,608	88%
TOTAL EXPENDITURE	32,557,880		32,557,880	24,549,885	8,007,995	75%

Under utilization is due to the under funding from the ministry due to varied Nemis students population in relation to actual number of creditors and Over utilization is due to increase of prices of essential commodities.

VI. 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

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 2022.

VII. Notes To The Financial Statements

1. Capitation Grant for Tuition

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Textbooks And Reference Materials	814,780	698,000
Exercise Books	139,677	700,000
Laboratory Equipment	512,147	511,000
Internal Exams	488,868	20,835
Teaching / Learning Materials	991,799	150,000
Chalks		30,000
Exams And Assessment		
Teachers Guides		
Total	2,947,269	2,109,835

2. Capitation Grant for Operations

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Other vote heads	8,688,690	7,694,850
Repairs And Maintenance	4,411,000	5,470,150
Medical/Insurance	160,000	134,200
Activity		268,400
Total	13,259,690	13,567,600

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

3. Parents Contribution/Fees - School Fund Account

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Fee On Boarding Equipment and Stores, lunch	9,241,845	9,114,582
Repairs and maintenance	400,000	387,099
Examination Fees		123,500
Electricity and water	625,000	
Other vote heads	2,000,000	2,497,464
Administration costs		
Activity	125,000	50,541
Total	12,366,845	12,173,186

Notes To The Financial Statements

4. Other Receipts – School Fund Account

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Rent Income		
Income From Farming Activities	1,200,000	140,416
Examination Fees		
Income From Posho Mill		
Income From Bus Hire	415,490	118,000
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Bursary		
Dividends Income		
Total	1,615,490	258,416

5. Payments For Tuition

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books	512,147	299,000
Laboratory Equipment	588,868	442,000
Internal Exams	497,946	167,000
Teaching / Learning Materials	814,780	601,310
Chalks		
Exams And Assessment		
Teachers Guides	139,677	
Administration Costs	2,553,418	52,000
Bank Charges		2,290
Total	2,553,418	1,563,600

Notes To The Financial Statements

6. Payments For Operations

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity	-	
Administration Cost		
Repairs And Maintenance & Improvements	4,302,622	4,276,372
Local Transport / Travelling		
CBC Project		
Medical	77,580	292,680
Activity Expenses	150,940.00	545,240
Other vote heads	5,633,930	7,206,491
Insurance Cost		
Bank Charges	2,003	
Acquisition Of Assets		
Total	10,167,075	12,320,783

Notes To The Financial Statements

7. Boarding And School Fund Payments

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Personnel Emoluments		
Others vote heads	1,850,000	1,730,205
Repairs And Maintenance & Improvements	400,000	374,370
Local Transport / Travelling		
Electricity And Water		
Activity	125,000	75,550
Administration Costs		
Examination Payments		123,500
Bank Charges		
Expenses On Income Generating Activities		
Fee On Boarding Equipment and Stores	8,829,392	6,520,452
Rent Expenses		
Insurance Cost (<i>Life Property</i>)		
Hire of School Bus		97,390
School Farm		240,104
Acquisition Of Assets		
Total	11,829,392	9,161,571

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Notes To The Financial Statements

8. Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	30 th June 2022	Jan-jun 2021
		Kshs	Kshs
Tuition Account	7700456704	6,028	20,234
Operations Account	7700131066	1,340	4,601
School Fund Account/Boarding	1159774269	22,456	49,757
School Fund NBK			28,475
Savings Account			
Parent Association Development Account			
Income Generating Activities Account			
Infrastructural Account	1253891486	52,575	1,112,156
Total		82,399	1,215,222

9. Cash In Hand

Description	30 th June 2022	Jan-jun2021
	Kshs	Kshs
Tuition Account	-	
Operation Account	-	11,374
School Fund account	-	4,350
Total		15,724

10. Short Term Investments

Description	30 th June 2022	Jan-jun2021
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit		
Equity Stock		
Other Investments		
Total		

Notes To The Financial Statements

11. Accounts Receivable

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Fees Arrears	29,546,313	23,409,023
Other Non-Fees Receivables		
Salary Advances		
Imprest		
Total	29,546,313	23,409,023

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Fees Arrears For Current Year	6,137,290	3,938,348
Fees Arrears For The Previous Year	3,938,348	3,306,854
Fees Arrears For Prior Periods (Over Two Years)	19,470,675	16,163,821
Total	29,546,313	23,409,023

12. Accounts Payable

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix	2,691,208	3,442,473
Prepaid Fees	167,719	67,420
Retention Monies		
Total	2,858,927	3,509,893

Description	30 th Jun 2022	30 th Jun 2021
	Kshs	Kshs
Trade Creditors for Current Year	(650,966)	3,509,893
Trade Creditors for The Previous Year	3,509,893	
Trade Creditors for Prior Periods (Over Two Years)		
Total	2,858,927	3,509,893

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Notes To The Financial Statements

13. Fund Balance Brought Forward

Description	30th June 2022	30th June 2021
	Kshs	Kshs
Bank Balances	82,399	1,215,522
Cash Balances	-	15,724
Short Term Investments	-	-
Receivables	29,546,313	23,409,023
Payables	(2,858,927)	(3,509,893)
Total	26,769,785	21,130,376

Other important disclosure notes

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

14. Non-current Liabilities Summary

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Bank Loan(S)		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Total		

15. Biological assets

Description	Numbers	30 th June 2022	30 th June 2021
		Kshs	Kshs
Cattle		8	8
Goats			
Trees		200	120
Coffee Or Tea Plantation			
Poultry			
Total		208	128

16. Borrowings

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
Balance at end of the year		

Other important disclosure notes

17. Stock/ Inventory

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	431,000	1,656,770
Stock/ inventory purchased during the year	9,171,135	20,540,530
Stock/ inventory issued during the year	9,340,495	21,766,300
Balance at end of the year	261,640	431,000

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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

Signature - 13-4-22
B.O.M. SECRETARY
NAKAMI FRIENDS SEC. SCHOOL
P.O. Box 3870 - 30200, KITALE
DATE:.....SIGN:.....

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 30 th June 2022	Outstanding Balance 30 th June 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.				-	-	
2.				-	-	
3.						
Sub-Total						
Supply Of Goods						
4. Waki supplies,Nashotech,Diligent and Lisa	1,906,959	1/7/2021	1,215,959	691,000	1,130,000	
5. Skullab Enterprises and Jafamosi	841,876	1/7/2021	154,829	687,047	276,000	
6. Jack,Julia,Charles,Godfrey,Luna,Jada and Daisy	9,251,977	1/7/2021	8,487,387	764,590	243,000	
Sub-Total	12,000,812		9,858,175	2,142,637	1,649,000	
Supply Of Services						
7. BOM Workers salaries,Tobias ochieng	8,143,162	1/7/2021	7,468,872	674,290	276,710	
8. High mark services,Litemore and Topcare	211,000	1/7/2021	169,000	42,000	1,584,183	
Sub-Total	8,354,162		7,637,872	716,290	1,860,893	
Grand Total	20,354,974		17,496,047	2,858,927	3,509,893	

NAKAMI FRIENDS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land 1	1985	KINYORO	14,400,000	-	-	14,400,000
Land 2	1995	KINYORO	21,600,000	-	-	21,600,000
Buildings And Structures	1984	KINYORO	10,419,460	2,473,525	-	12,892,985
Motor Vehicles	2016	KINYORO	6,000,000	-	-	6,000,000
Office Equipment, Furniture And Fittings	2021		2,752,657	520,000	100,000	3,172,657
ICT Equipment, And Other ICT Assets	2018		1,222,212	-	-	1,222,212
Tools And Apparatus	2021		1,632,435	660,000	160,000	2,132,435
Textbooks	2021		7,155,000	651,100	-	7,806,100
Other Machinery And Equipment			-			
Heritage And Cultural Assets	-	-	-	-	-	-
Intangible Assets- Soft Ware	-	-	-	-	-	-
Total			65,181,764	4,304,625	260,000	69,226,389