

REPUBLIC OF KENYA

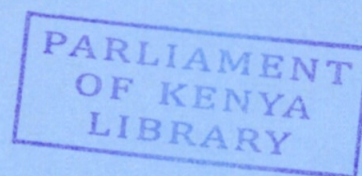


REPORT

		THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 15 JUN 2026		DAY: Tuesday	
TABLED BY:	Hon. Naomi Walego, CBS, MP (Deputy Majority Whip)		
CLERK-AT THE-TABLE:	Lomale		

THE AUDITOR-GENERAL

ON

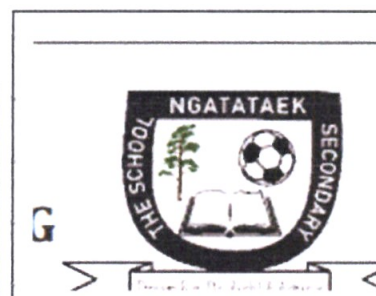


**NGATATAEK MIXED BOARDING
SECONDARY SCHOOL**

**FOR THE SIX (6) MONTHS PERIOD
ENDED 30 JUNE, 2024**

KAJIADO COUNTY

Revised 30th June 2024.



NGATATAEK MIXED SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024**

**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 Definition of Key Terms

A. Acronyms.

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	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

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 KAJIADO County, OLOILILAI Sub-County.

The school was registered in 09/2016 under registration number 34S3000033 and is currently categorized as a COUNTY public school established, owned or operated by the Government.

The school is a day and boarding school and had 216 number of students as at 30th June 2024. It has 2 streams and 11 teachers under TSC and 3 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	MR. Mosiany Kisan	Chairman	24th/08/2022
2	MR. Peter Gathaga	Secretary - Principal	24 th /08/2022
3	Mrs. Virginia Sabaya	Member	24 th /08/2022
4	Pst. William Siparo	Member	24 th /08/2022
5	Mr. Peter Ntasikoi	Member	24 th /08/2022
6	Mr. Humphrey Kateri	Member	24 th /08/2022
7	Dr. Judy Kimaru	Member	24 th /08/2022
8	Mr. Moses Minchil	Member – Rep CEB	24 th /08/2022
9	Mrs. Everline Kendi	Member - Teachers' REP.	24 th /08/2022
10	Mr. Sankale Tarakei	3 Members - Sponsor	24 th /08/2022
11	Mrs. Ann Tobiko	Member - Community	24 th /08/2022
12	Mr. Joel Lemama	Member – Rep. Special Needs	24 th /08/2022
13	Mr. David Mooke	Member -	24 th /08/2022
14	Mr. Emmanuel Poloshe	Students' Rep.	Replacement 8/2023

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, of 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	1.Mr. Kispan 2.Mr. Gathaga 3. Md Tobiko 4.Md. Sabaya 5.Md. Gladys	Chairperson Secretary Member Member Member	3 out of 3
2	Audit Committee	1. Md. Tobiko Ann 2. Mr. Gathaga 3. Md. Sabaya 4. Md. Gladys 5. Md. Kiria 6. Mr. Lemama	Chairperson Secretary Member Member Member Member	3 out of 3 " 0 " " "
3	Finance, procurement and general purposes Committee	1. Md. Tobiko 2. Mr. Gathaga 3. Md. Sabaya	Chairperson Secretary Member	3 out of 3 " 0

		4. Md. Gladys	Member	”
		5. Md. Kiria	Member	”
		6. Mr. Humphrey	Member	”
4	Academic Committee	1. Mr. Ntasikoi	Chairperson	2 out of 2
		2. Md. Sophia	Secretary	”
		3. Dr. Kimaru	Member	”
		4. Mr. Mooke	Member	”
		5. Mr. Tuke	Member	”
		6. Mr. Siparo	Member	”
5	Development Committee	1. Rev. Sankale	Chairperson	2 out of 2
		2. Md. Sophia	Secretary	”
		3. Mr. Gichuki	Member	”
		4. Mr. Kateri	Member	”
		5. Mr. Kispan	Member	”
		6. Mr. Humphrey	Member	”
		Md. Gladys		”
6	Discipline and welfare Committee	1. Mr. Ntasikoi	Chairperson	2 out of 2
		2. Md. Sophia	Secretary	”
		3. Mr. Mooke	Member	”
		4. Mr. Tukei	Member	”
		5. Mr. Siparo	Member	”
		Mr. Lemama	Member	”
				”
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr. Peter Gathaga	TSC No. 305257
2	Deputy Principal	Md. Monica Murage	TSC No.335142
3	School Bursar	Mr. Benard M. kakeempe	ID NO. 23239039
4	Director of studies	Mr.Moses Maina	TSC. No. 602949

(e) Schools contacts

Post Office Box: 368-0207 Namanga, Kenya
 Telephone: 0722628161/0722812367
 E-mail: ngatataeksecondary368@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: Equity
 Branch: Namanga
 Account number: 0850270385666
2. Mpesa paybill No. 247247 attached to equity bank account
3. Name of Bank: K.C.B
 Branch : Namanga
 Acc Number: 1135697434
4. Name of bank : Equity
 Branch : Namanga
 Acc Nunber ; 0850298902813
5. Name of bank : Equity
 Branch : Namanga
 Acc Number: 0850279064019
6. Name of Bank : K.C.B
 Branch : Namanga
 Acc Number: 1132796121

(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:

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

Year	2021-2022	2022-2023	2023-2024
FDSE	1,889,299	(2,058,490)	1,187,679

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

YEAR	2021-2022	2022-2023	2023-2024
FDSE- TUITION	569,688	534,495	503,427
-OPERATION	2,535,962	1,592,681	2,082,229

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

Year	2021-2022	2022-2023	2023-2024
Other Income	99,881	139,739	92,375

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

Year	2021-2022	2022-2023	2023-2024
EXPENDITURE	11,096,085	12,404,689	9,399,997

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

Year	2021-2022	2022-2023	2023-2024
DEBTORS	2,790,639	2,685,502	3,246,200
CREDITORS	9,052,603	10,650,163	7,769,788

b) Teacher Student ratio:

<i>Year</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
<i>Teacher/student ratio</i>	<i>1:16</i>	<i>1:17</i>	<i>1:15</i>
<i>Teachers Recruited</i>	<i>0</i>	<i>0</i>	<i>3</i>
<i>Teachers posted</i>	<i>0</i>	<i>0</i>	<i>2</i>
<i>Teachers Transferred/ Retired</i>	<i>1</i>	<i>0</i>	<i>2</i>
<i>B.O.M Teachers</i>	<i>3</i>	<i>3</i>	<i>3</i>

c) The mean score in the 2024 KCSE:

<i>Year</i>	<i>2021-2022</i>	<i>2022-2023</i>	<i>2023-2024</i>
<i>Mean Score</i>	<i>2.35</i>	<i>2.17</i>	<i>2.63</i>
<i>Number of Candidates</i>	<i>37</i>	<i>41</i>	<i>49</i>
<i>Transitioned</i>	<i>17</i>	<i>12</i>	<i>N/A</i>

d) Number of Candidates in the 2024 KCSE:

e) The capacity of the school:

<i>Structure</i>	<i>Dormitories</i>	<i>Dining Hall</i>	<i>laboratories</i>	<i>Classes</i>	<i>Library</i>	<i>Toilets</i>
<i>Students no. 216</i>	<i>2 of capacity</i>	<i>0</i>	<i>1</i>	<i>10</i>	<i>0</i>	<i>10</i>
	<i>@ 80</i>					
	<i>1 capacity</i>					
	<i>120</i>					

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time

.....
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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of *Ngatataek mixed boarding sec 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, 2024, and of the school's financial position as at that date.



.....
Name: MR. Mosiany KISPAN

Designation: Chairman, School Board of Management

Date: 28TH AUG 2024



.....
Name: MR. PETER GATHAGA

Designation: School Principal & Secretary to Board of Management

Date: 28TH AUG 2024



.....
Name: MR. BENARD M. KAKEEMPE

Designation: Bursar/ Finance Officer

Date: 28TH AUG 2024

REPUBLIC OF KENYA

phone: +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 NGATATAEK MIXED BOARDING SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - KAJIADO 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 Ngatataek Mixed Boarding Secondary School set out on pages 1 to 18, which comprise of the statement of assets and liabilities as at 30 June, 2024, the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended

*Report of the Auditor-General on Ngatataek Mixed Boarding Secondary School for the year ended 30 June, 2024-
Kajiado County*

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 Ngatataek Mixed Boarding Secondary School as at 30 June, 2024 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. Unsupported Personnel Emoluments

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflect amount of Kshs.6,392,700 in respect boarding school fund expenditure. Included in this amount is personnel emolument amount of Kshs.1,330,511. However, the scheme of service for non-teaching staff and BOM teachers and a staff establishment were not provided for audit review. Further, Board of Management minutes to confirm approval of appointment of the staff was not provided for audit verification.

In the circumstances, the accuracy and completeness of personnel emolument balance of Kshs.1,330,511 could not be confirmed.

2. Unsupported Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.3,246,200 in respect of fees arrears. Included in the balance is a balance of Kshs.2,348,715 being receivables that has been outstanding for more than (3) years. However, supporting schedules for the long outstanding receivables was not provided for audit review. Further, no policy on the impairment of long outstanding fees arrears was provided casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.3,246,200 could not be confirmed.

3. Unsupported Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.8,186,503. However, included in the balance are trade payables balance of Kshs.7,630,488 which has been outstanding for more than 3 years and was not supported by adequate records such as invoices, local purchase orders and contracts.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.8,186,503 could not be confirmed.

4. Non-Disclosure/Capitalization of Assets

The financial statements and disclosed in Annex 2 to the financial statements reflects summary of fixed assets register which has not disclosed historical costs of. However, no supporting fixed assets register was provided for audit review. Further, Management did not recognize fixed asset procured during the year under infrastructure amounting to Kshs.265,227 as an important disclosure as part of the additional assets during the year.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

5. Material Uncertainty Related to Going Concern

The statement of assets and liabilities reflects current assets and current liabilities balances of Kshs.4,497,162 and Kshs.7,769,788 respectively, resulting to a negative working capital of Kshs.3,272,626. However, this material uncertainty relating to the Going concern was not disclosed in form of a note in the financial statements. The school's ability to continue as a going concern and the ability to settle debts is dependent on Government capitation and its creditors.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ngatataek Mixed Boarding 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

Budget Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.25,043,060 and Kshs.10,587,676 respectively, resulting in an under-funding of Kshs.14,455,384 or 58% of the budget. Similarly, the School spent an amount of Kshs.9,399,997 against actual receipts amounting to Kshs.10,587,676 resulting in over-utilization of Kshs.1,187,679 or 13% of actual receipts. The under-funding affected and over-utilization affect planned activities and may have impacted negatively on service delivery to the public.

Further, there were no explanatory notes for deviations of 10% and above on the components in the statement of budgeted versus actual amounts while items not budgeted were included in the statement.

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

The Management is responsible for the Other Information set out on page ii to xii which comprise of Key School Information and Management, The Board of Management, School Operation Management, Summary Report of Performance of the School and Statement of School Management Responsibilities. 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 year ended 30 June, 2023 was received on 02 March, 2026, one (1) year and five (5) months after the statutory date of 30 September, 2022. This was contrary to Regulation 101(4) of the Public Finance Management (National Government) Regulations, 2015 that states that an Accounting Officer shall prepare and submit financial statements within three months after the closure of financial year. Late submission of financial report adversely affects the Office of the Auditor-General in meeting the statutory timelines.

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 and as disclosed in Note 2 to the financial statements reflects operations capitation grants of Kshs.2,082,229. for year under review.

Included in the amount is Kshs.743,000 in respect to infrastructure grants. However, only an amount of Kshs.362,600 was transferred to infrastructure account from operations account resulting to an un explained variance of Kshs.380,600. Further, an amount of Kshs.161,600 not transferred within fifteen (15) days of receipt in operations account in contravention to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3-2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt in the operations account. Failure to transfer funds to the school infrastructure account from operation account denies the school money for infrastructure improvement.

In the circumstances, Management was in breach of the Ministry of Education Circular.

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

The statement of receipts and payments as disclosed in Note 9 to the financial statements reflects boarding and school fund expenditure amount of Kshs.6,392,700. Included in the expenditure is an amount of Kshs.153,600 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from school principals, only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools as provided in Regulation 23(2)(c) of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, Management was in breach of the law and value for money transferred could not be ascertained.

4. Failure to Prepare School Improvement Plan

During the year under review, the School operated without 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 Ministry of Education Operation Manual.

5. Non-Compliance with Law on Affirmative Action

Review of records revealed that the School had total of 14 Board of Management staff (teaching and non-teaching staff) out of which one ethnic group represented 50% of the employee's which is way above the legal threshold of 33%. This was contrary to article

27(8) of the Constitution which states that no more than 2/3 of members of any elective or appointing public body can be of the same gender or ethnic group.

Further, the School had zero staff with disabilities contrary to provisions of at least 5% by the Persons with Disabilities Act, 2003.

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

6. Lack of Procurement Function

During the year under review, the School did not have a qualified procurement professional to guide on the procurement of goods and services hence making the procurement process ineffective.

In the circumstances, failure to have skilled personnel may result to ineffective procurement processes leading to misappropriation or loss of funds.

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, 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

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 Board of Management

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.

Board of 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.

The Board of Management is 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

7 May, 2026

6. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	503,427	534,495
Government grants for operations	2	2,082,229	1,592,681
Government Grants for infrastructure	3	362,600	739,000
School fund income- parents' contributions	4	7,547,045	7,340,284
Miscellaneous incomes	5	92,375	139,739
Total Receipts		10,587,676	10,346,199
Payments			
Tuition	6	556,093	555,093
Operations	7	2,185,977	2,113,478
Infrastructure	8	265,227	740,480
Boarding and school fund	9	6,392,700	8,995,638
Total Payments		9,399,997	12,404,689
Surplus/Deficit		1,187,679	(2,058,490)

The school financial statements were approved on 28TH AUG 2024 and signed by:

MR .KISPAN


Name: 22/4/26

Chair BOM

Date: 28TH AUG 2024

MR. PETER GATHAGA


Name: 22/4/26
School Principal/ Secretary to
BOM

Date: 28TH AUG 2024

MR BENARD KAKEEMP

Name:
 22/4/2026

Bursar/ Finance Officer

Date: 28TH AUG 2024

7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,226,794	548,144
Cash balances	11	24,168	4,658
Short term investments	12	0	0
Total cash and cash equivalent			
Account's receivables	13	3,246,200	2,685,502
Total financial assets (a)		4,497,162	3,238,304
Financial liabilities			
Accounts payables	14	(7,769,788)	(10,650,163)
Total Financial Liabilities (b)			
Net financial assets (a-b)		(3,272,626)	(7,411,859)
Represented by			
Accumulated fund b/fwd	15	(7,411,859)	(5,437,621)
Surplus/deficit for the year		1,187,679	(2,058,490)
Net Assets		(6,224,180)	(7,496,111)

The school financial statements were approved on 28TH AUG 2024 and signed by:

MR .KISPAN



Name: 22/4/26

Chair BOM

Date: 28TH AUG 2024

MR. PETER GATHAGA


Name:
School Principal/ Secretary to
BOMDate: 28TH AUG 2024

MR BENARD KAKEEMP

Name:



Bursar/ Finance Officer

Date: 28TH AUG 2024

8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	503,427	534,495
Government grants for operations	2	2,082,229	1,592,681
Government grants for infrastructure	3	362,600	739,000
School fund income- parents contributions/ fees	4	7,547,045	7,340,284
Other income	5	92,375	139,739
Total receipts		10,587,676	10,346,199
Payments			
Cash outflows for tuition	6	556,093	555,093
Cash outflows for operations	7	2,185,977	2,113,478
Cash outflows for infrastructure	8	265,227	740,480
Cash outflows Boarding/lunch and school fund payments	9	6,392,700	8,995,638
Total payments		9,399,997	12,404,689
Net cash inflow/outflow from operating activities		1,187,679	(2,058,490)
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		0	0
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0	0
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		1,187,679	(2,058,490)
Cash and cash equivalent at beginning of the FY		552,802	824,343
Cash and cash equivalent at end of the FY		1250,962	552,802

The school financial statements were approved on 28TH AUG 2024 and signed by:

MR .KISPAN

Name:

Chair BOM

Date: 28TH AUG 2024

MR. PETER GATHAGA

Name:

School Principal/ Secretary to
BOM

Date: 28TH AUG 2024

MR BENARD KAKEEMP

Name:

Bursar/ Finance Officer

Date: 28TH AUG 2024

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

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					
Teaching / Learning Materials	1,036,000	0	1,036,000	503,427	49%
Exams And Assessment					
(2) Capitation Grant on Operations					
O.V.H (PE, EWC.ADM)	4,542,000	0	4,542,000	1,317,181	29%
Repairs And Maintenance	1,750,000	0	1,750,000	435,200	25%
Local Transport / Travelling					
Electricity And Water					
Medical	500,000	0	500,000	166,650	33%
Administration Costs					
Activity	550,500	0	550,500	163,197	30%
Gratuity					
3) FDSE for infrastructure					
Maintenance & Improvement MoE	1,750,000	0	1,750,000	362,600	21%
M&I parents' contribution					
(4) Fees Charged on Parents					
Personnel Emoluments	3,497,000	0	3,497,000	1,308,790	37%
Repairs And Maintenance	1,750,000	0	1,750,000	349,500	20%
Local Transport / Travelling	920,000	0	920,000	325,560	35%
Electricity And Water	419,000	0	419,000	245,815	59%
Administration Costs	626,000	0	626,000	166,920	27%
Activity	550,500	0	550,500	36,880	7%
Fee On Boarding Equipment and Stores	8,902,060	0	8,902,060	3,652,710	41%

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 arrears recovery				1,044,155	
Prepayments				416,715	
5) Miscellaneous Income					
Loans / Borrowing					
Miscellaneous income	0	0	0	92,375	0
Total Income	25,043,060	0	25,043,060	10,587,676	42%
(6) Expenditure For Tuition					
Teaching / Learning Materials	1,036,000	0	1,036,000	556,093	54%
(7) Expenditure For Operations					
O.V.H (PE, EWC,ADM)	4,542,000	0	4,542,000	1,336,354	29%
Repairs, Maintenance & Improvements				1,450	
Local Transport / Travelling	920,000	0	920,000	191,033	21%
Medical				9,890	
Transfers	0	0	0	362,600	0
Activity Expenses	550,500	0	550,500	284,650	52%
(8) Expenditure For infrastructure					
RMI	1,750,000	0	1,750,000	265,227	15%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	3,497,000	0	3,497,000	185,624	5%
Repairs, Maintenance and Improvements	1,750,000	0	1,750,000	224,375	13%
Local Transport / Travelling	920,000	0	920,000	339,996	37%
Electricity, Water and Conservancy	419,000	0	419,000	253,166	60%
Medical Expenses	500,000	0	500,000	143,151	27%
Administration Costs	626,000	0	626,000	358,166	57%
Activity	550,500	0	550,500	464,049	84%
Boarding Equipment and	8,902,060	0	8,902,060	2,651,020	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
Stores					
Transfers	0	0	0	250,000	0
Bank Charges	00	0	0	18,042	0
Paid creditors				1,505,111	
Loan Principal Repayment					
Acquisition Of Assets					
Totals	25,963,060		25,963,060	9,399,997	36%

- i. Some vote heads in the budget EWC were underestimated thus over utilized
- ii. Some vote heads in the budget below 90% were overestimated thus underutilized

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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 2024.

11. Notes To the Financial Statements**1 Government Grants for Tuition**

Description	2023/2024	2022/2023
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	503,427	534,495
Others (specify) *		
Total	503,427	534,495

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
O.V.H (PE, EWC, ADM)	1,317,182	1,403,231
Repairs And Maintenance	435,200	39,000
Medical	166,650	40,400
Activity	163,197	110,050
Other Vote Heads (specify) *		
Total	2,082,229	1,592,681

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	362,600	739,000
Total	362,600	739,00

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel emoluments	1,308,790	1,143,233
Repairs and maintenance	349,500	121,085
Local transport / travelling	325,560	403,363
Electricity and water	245,815	314,980
Administration costs	166,920	201,218
Activity	36,880	52,340
Fee on Boarding Equipment and stores	3,652,710	3,985,537
Fee Arrears recovery	1,044,155	624,788
Prepayment	416,715	153,740
Transfers	0	250,000
Borrowings	0	90,000
Other incomes	0	0
Total	7,547,045	7,340,284

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	Kshs	Kshs
Rent Income		
Other Income (<i>Penalties</i>)	92,375	139,739
Total	92,375	139,739

Notes to the Financial Statements (continued)

6 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	556,093	555,093
Total	556,093	555,093

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
O.V.H (PE, EWC, ADM)	1,336,354	1,584,226
Repairs And Maintenance & Improvements	1,450	
Local Transport / Travelling	191,033	254,400
Transfers	362,600	
Medical	9,890	147,472
Activity Expenses	284,650	125,100
Bank Charges		2,280
Others (borrowing)		
Total	2,185,977	2,113,478

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
RMI	265,227	740,480
Others (specify)		
Total	265,227	740,480

9 Boarding And School Fund

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	185,624	1,666,624
Service Gratuity		
Repairs And Maintenance & Improvements	224,375	219,495
Local Transport / Travelling	339,996	752,880
Electricity And Water	253,166	327,911
Medical Expenses	143,151	6,350
Administration Costs	358,166	315,124
Transfers	250,000	1,198,100
Bank Charges	18,042	14,727
Activity	464,049	488,355
Fee On Boarding Equipment and Stores	2,651,020	3,747,224
Creditors Paid	1,505,111	258,848
Total	6,392,700	8,995,638

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1132796121	550	6,399
Operations Account	active	0850298902813	302,515	5776
School Fund Account/Boarding	active	0850270385666 - equity 11356974334- kcb	115,786	75,398
Infrastructural Account	active	0850279064019	807,943	460,571
Total			1,226,794	548,144

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Notes and Coins	24,168	4,658
Total	24,168	4,658

12 Short Term Investments

Description	2023/2024	2022/2023
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

13 Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Fees Arrears	3,246,200	2,685,502
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	3,246,200	2,685,502

13 b) Ageing Analysis of Accounts Receivable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	2023/2024	% of the total	2022/2023	% of the total
Less than 1 year				
Between 1- 2 years (1,941,640 – 1,044,155 Recoveries)	897,485	55%	1,941,640	72%
Between 2-3 years	2,348,715	45%	743,862	28%
Over 3 years				
Total (should tie to note 13 a)	3,246,200	100%	2,685,502	100%

14 Accounts Payable

Description	2023/2024	2022/2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	8,186,503	10,803,903
Prepaid Fees	(416,715)	(153,740)
Other payables (<i>specify</i>)		
Total	7,769,788	10,650,163

14a. Ageing Analysis of Accounts Payable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	2023/2024	% of the total	2022/2023	% of the total
Less than 1 year			1,470,545	14%
Between 1- 2 years (2,061,127 – 1,505,111.50)	556,015	7%	590,582	14%
Over 3 years	7,630,488	93%	8,742,776	72%
Total (should tie to note 14)	8,186,503	100%	10,803,903	100%

15 Fund Balance Brought Forward

Description	2023/2024		2022/2023	
	Kshs		Kshs	
Bank Balances	548,144		601,521	
Cash Balances	4,658		222,822	
Short Term Investments				
Receivables	2,685,502		2,790,639	
Payables	(10,650,163)		(9,052,603)	
Total	(7,411,859)		(5,437,621)	

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	2023/2024	2022/2023
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total	0	0

17 Biological assets

Description	Numbers	Insert Current FY	2022/2023
		Kshs	Kshs
Trees		450	338
Total		450	338

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Description	2023/2024	2022/2023
	Kshs	Kshs
Food stuffs	56,000	280,000
Lab consumables	208,000	0
Others (specify)	0	0

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 2023/2024	Outstanding Balance 2022/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Creditors 2-3 years	7,630,488	June 2022		7,213,773	10,650,163	
2. Creditors 1-2 years	556,015	June 2024		556,015		
Grand Total				7,769,788	10,650,163	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 202	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Total				

NB/

The school land is located at ngatataek, kajiado central, 500m from ngatataek center.

The Schools assets have never been valued in any financial year.