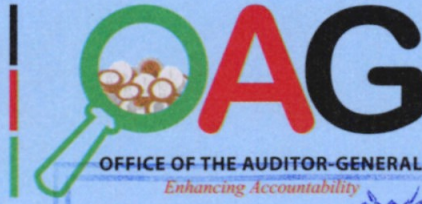


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT**

DATE 09 JUN 2026

DAY.

Tuesday

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OF KENYA  
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BY:

Hon. Naomir Wago

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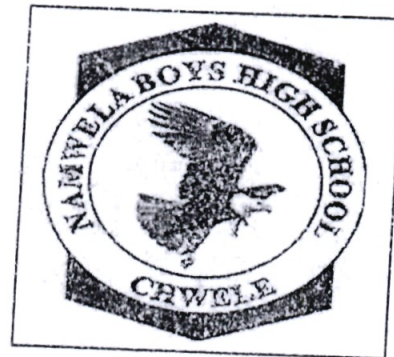
**THE AUDITOR-GENERAL**

**ON**

**NAMWELA SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**BUNGOMA COUNTY**



**NAMWELA SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2022**

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

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NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

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NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

**1. 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 Bungoma County, Bungoma West Sub County.

The school was registered in 20/01/2015 under registration number 39530000007 and is currently categorized as a county public school established, owned and operated by the Government.

The school is a boarding school and had 1085 number of student as at 30<sup>th</sup> June, 2022. It has 5 streams and 36 teachers of which 17 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	Eng. Richard Sitati	Chairman	23 <sup>rd</sup> April 2019
2	Mr. George Kisaka Wafula	Secretary	9 <sup>th</sup> August 2021
3	Sellah Wanyonyi	Member	23 <sup>rd</sup> April 2019
4	Jane Soita	Member	23 <sup>rd</sup> April 2019
5	Wasike Juliet	Member	23 <sup>rd</sup> April 2019
6	Mary Wasike	Member	23 <sup>rd</sup> April 2019
7	Gellas Wamanyengo	Member	23 <sup>rd</sup> April 2019
8	Bramwel Matete	Member-Rep CEB	23 <sup>rd</sup> April 2019
9	Benedict Wafula Wanyonyi	Member Rep Teachers	23 <sup>rd</sup> April 2019
10	Sara Masolo, Audrey Matere, Caleb Simiyu	3 members-sponsor	23 <sup>rd</sup> April 2019
11	Robert Silikhe Simiyu	Member-community	23 <sup>rd</sup> April 2019
12	Peter Chagalwa	Member special needs	23 <sup>rd</sup> April 2019
13	Peres Simiyu	Rep students	23 <sup>rd</sup> April 2019

NAMWELA SECONDARY SCHOOL  
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The function of the school board of management include:

- Promote the best interests of the school and ensure its development
- Promote quality education for a;; pupils in accordance with 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 rule 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	Name of member	designation	Number of meetings attended during the year
1	Executive Committee	A) Eng. Richard Sitati B) Mr.George Kisaka C) Mr.Erastus Muresia D)Dr. Audrey Matere E) Mdm.Sara Masolo	Chairman Secretary Member Member Member	2

NAMWELA SECONDARY SCHOOL  
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2	Audit Committee	A)Dr. Robert S.Simiyu B) Mrs Jane Soita C)Mr.Peter Changalwa D) E)	Chairperson Secretary Member	2
3	Finance, Procurement And General Purposes Committee	A) Mr.Bramwel Matete B) Mrs Juliet Wasike C) Mr.Caleb Kishombe D) E)	Chairman Secretary Member	1
4	Academic Committee	A) Dr.Audrey Matere B) Mr Ibrahim Mapesa C) Mrs. Sella Wanyonyi D) Mr. Erastus Muresia E) Mr. Patrick Ndombi	Chairperson Secretary Member Member Member	2
5	Development Committee	A) Mr.Gellas Wamanyengo B) Mr. George Kisaka C) Mr.Patrick Ndombi D)Eng.Richard Sitati E)Mrs.Sella Wanyonyi	Chairman Secretary Member Member Member	5
6	Discipline And Welfare Committee	A) Mr.Erastus Muresia B) Mr.Patrick Ndombi C) Mr.Caleb Kishombe D) Mr.Peter Changalwa E)Mrs Sara Masolo	Chairman Secretary Member Member Member	1
7	Adhoc Committee	A) Mr.Caleb Kishombe B)Mdm.Rose Wekesa C) Mr.Erastus Muresia D) E)	Chairman Secretary Member	1

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

**d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2021 the school day to day management was under the following persons:

Ref	Designation	Name	TSC Number
1	Principal	MR. GEORGE KISAKA	351008
2	D/Principal	MR. PATRICK NDOMBI	406808
3	School Bursar	MISS. EVERLYNE WANAMBISI	NAC/188087

**e) School contacts:**

Post office Box: 48-50202 chwele

Telephone:.....

E-mail: [namwelaboys2017@gmail.com](mailto:namwelaboys2017@gmail.com)

Website:.....

Facebook:.....

Twitter:.....

**f) School Bankers**

The following school operated 8 number of bank accounts in the following banks:

1. Name of bank: CO-OPERATIVE BANK

Branch: BUNGOMA

Account number: 01139049931300

2. Name of bank: CO-OPERATIVE BANK

Branch: BUNGOMA

Account number: 01139049931301

3. Name of bank: CO-OPERATIVE BANK

Branch: BUNGOMA

Account number: 01.139049931302

NAMWELA SECONDARY SCHOOL  
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4. Name of bank: CO-OPERATIVE BANK  
Branch: BUNGOMA  
Account number:01141049931300
5. Name of bank: KCB BANK  
Branch: BUNGOMA  
Account number:1106248775
6. Name of bank: KCB BANK  
Branch: BUNGOMA  
Account number: 1105398153
7. Name of bank: KCB BANK  
Branch: BUNGOMA  
Account number: 1260936236
8. Name of bank: KCB BANK  
Branch: BUNGOMA  
Account number: 1106190483
9. MPESA Pay Bill No 522123 attached to KCB bank account 52284k

**g) Independent auditors**

Office of the auditor general  
Anniversary towers, university way  
p.o box 30084  
GPO 00100  
Nairobi, Kenya.

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

**II) SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) Financial performance:**

Above average

**b) Teacher student ratio**

1:30

**c) Mean score in the 2021 KCSE**

4.9409 C-

**d) Number of candidates in the 2021 KCSE**

237

**e. Capacity of the school**

1500 students

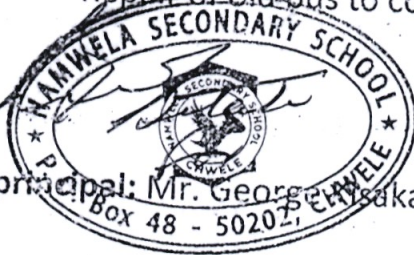
NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
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f. Development projects carried out by the school

- Completing of tuition block
- Putting up one staff house .
- Extension of water points and one storage tank
- Renovation of one block to be used as a staffroom
- Repair of old bus to come back on road

Sign:

School principal: Mr. George Kisaka



III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

The board of management of Namwela Secondary School accepts responsibility for the school's financial statements, which have been prepared on the cash basis method of financial reporting, using appropriate accounting policies in accordance with international public sector accounting standard (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 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

Name: Eng. Ricard Sitati

Designation: chairman, School Board of Management

Sign:

Date: 10/02/2023

Name: George Kisaka

Designation: School Principal & Secretary to Board of management

Sign:

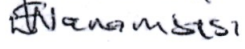
Date: 13/02/2023



NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
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**Name:** Everlyne Wanambisi

**Designation:** Dunsar/Finance Officer

**Sign:** 

**Date:** 2/3/2023

# REPUBLIC OF KENYA



Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke

**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NAMWELA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - BUNGOMA COUNTY**

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### **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 Namwela Secondary School - Bungoma set out on pages 12 to 30, which comprise of the statement of financial

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*Report of the Auditor-General on Namwela Secondary School for the year ended 30 June, 2022 - Bungoma County*

assets and financial liabilities as at 30 June, 2022 and the statement of receipts and payments, 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 Namwela Secondary School-Bungoma County 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. Inaccuracy of Financial Statements**

#### **1.1 Statement of Financial Assets and Financial Liabilities**

The statement of financial assets and financial liabilities reflects total financial assets of Kshs.15,418,458. However, re-computation of the amount shows Kshs.196,143, resulting to unexplained variance of Kshs.15,222,315. Further, the statement reflects Nil accounts receivables balance while Note 8 to the financial statements reflects Kshs.15,222,315 resulting to unexplained variance of Kshs.15,222,315.

Additionally, the statement reflects Nil accounts payables balance while Note 9 to the financial statements reflects Kshs.16,606,892, resulting to unexplained variance of Kshs.16,606,892. Also, the statement reflects Nil net financial assets balance which differs with the net financial position balance of Kshs.196,144.

In the circumstances, the accuracy and completeness of the statement of financial assets and financial liabilities could not be confirmed.

#### **1.2. Statement of Cash Flows**

The statement of cash flows is incomplete as it was prepared only up to net cash flows from operating activities section and the other sections were left blank. The net increase in cash and cash equivalents was not determined. Further, the statement indicates increase/decrease in accounts receivables and accounts payables of Kshs.15,222,315 and negative Kshs.16,606,892 respectively, which is incorrect as no balances were reported for accounts receivables and accounts payables in the statement of financial assets and financial liabilities.

Additionally, the statement reflects comparative total payments for the year ended 30 June, 2021 of Kshs.23,341,332 while recasting of amount shows Kshs.19,008,494, resulting to unexplained variance of Kshs.4,332,738.

In the circumstances, the accuracy and completeness of the statement cash flows could not be confirmed.

## **2. Long Outstanding Accounts Receivables**

Note 8 to the financial statements reflects accounts receivables balance of Kshs.15,222,315, which includes fees arrears balance of Kshs.15,208,825. The balance includes fees arrears amounting to Kshs.8,436,341 that had been outstanding for a period of more than one (1) year without clear strategy to ensure recovery of the same. Additionally, there was no policy on the impairment of long outstanding accounts receivables casting doubt on the fair statement of accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of accounts receivables balance of Kshs.15,222,315 could not be confirmed.

## **3. Unconfirmed Accounts Payables Balance**

Note 9 to the financial statements reflects accounts payables balance of Kshs.16,606,892. However, Annex 1 to the financial statements in respect of analysis of pending accounts payables reflects a balance of Kshs.9,120,832 resulting to unexplained variance of Kshs.7,486,060. Further, ageing analysis under Note 9 to the financial statements reflect total accounts payables of Kshs.13,579,333 resulting to unexplained variance of Kshs.3,027,559.

In the circumstances, the accuracy and completeness accounts payables balance of Kshs.16,606,892 could not be confirmed.

## **4. Unconfirmed Government Grants for Operations**

The statement of receipts and payments reflects Government grants for operations amounting to Kshs.12,135,561 as disclosed in Note 2 to the financial statements. However, verification of the bank statements revealed that the actual amount received as grants for operations was Kshs.10,896,180, resulting to unexplained variance of Kshs.1,239,381. Further, the supporting schedule provided reflects an amount of Kshs.11,530,718, resulting to unexplained variance of Kshs.604,843.

In the circumstances, the accuracy and completeness of the Government grants for operations amount of Kshs.12,135,560 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Namwela Secondary School-Bungoma County 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 a comparable basis of Kshs.53,077,600 and Kshs.53,140,222 respectively, resulting in an over-funding of Kshs.62,622 of the budget. Similarly, the School spent an amount of Kshs.33,060,394 against actual receipts amounting to Kshs.53,140,222, resulting in an under-utilization of Kshs.20,079,828 or 38% of actual receipts.

The under-utilization of funds 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**

The Management is responsible for the Other Information set out on page 3 to 10 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. Lack of Approved Procurement Plan**

Audit review revealed that Management did not prepare an annual procurement plan as part of the annual budget preparation process in accordance with Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

In the circumstance, Management was in breach of the Law.

### **2. Lack of a Functional Procurement Unit**

Audit review revealed that the School did not have an established procurement function managed by qualified procurement professional and procurement activities were undertaken by individuals lacking the requisite qualifications contrary to Regulation 33 (1) and (2) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall establish a procurement function to be handled by procurement professionals whose qualification and experience are recognized in Kenya.

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

### **3. Lack of Staff Ethnic Diversity**

Analysis of the staff list provided for audit revealed that the School had forty-four (44) employees both in teaching and non-teaching who are serving under the terms of the School's Board of Management. The audit analysis revealed that thirty-nine (39) or 89% of the staff of the School were from the dominant ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment shall have more than one third of its staff from the same ethnic community.

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

#### **4. Under-Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.2,492,549 and Kshs.12,135,561 respectively as disclosed in Notes 1 and Note 2 to the financial statements.

Verification of documents provided revealed that the total number of students used for capitation grants disbursement in July to August, 2021 in the National Education Management Information System (NEMIS) was five hundred and sixty-six (566) while the School had actual number of students of nine hundred and thirteen (913) resulting to a variance of three hundred and forty-seven (347) students. The October, 2021 NEMIS had seven hundred and sixty-two (762) students while the School actual number of students was nine hundred and eight (908) resulting to a variance of one hundred and forty-six (146) students. In January, 2022, NEMIS record for Form 1 capitation had one hundred and ninety-two (192) students while the school had actual number of students of three hundred and ten (310) students resulting to a variance of one hundred and eighteen (118) students, while the capitation for the other students, NEMIS had seven hundred and sixty eight (768) students while the School had actual number of students of seven hundred and forty two (742) resulting to a variance of 26 students in the same period in accordance with the enrolment records provided by the School.

As a result of the variances in student numbers, the School was under-funded by an amount of Kshs.3,488,131.

In the circumstances, the under-funding of the school may have affected service delivery to the public.

#### **5. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General for audit on 2 March, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 68(2)(k) of the Public Finance Management Act, 2012 which states that the Accounting Officer of a National Government entity should prepare annual financial statements for each financial year within three months after the end of the financial year, and submit them to the Controller of Budget and the Auditor-General for audit, and in the case of a National Government entity, forward a copy to the National Treasury.

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

#### **6. Lack of Imprest Register**

During the year under review, Management did not maintain an imprest register detailing the name of applicant, amount applied, due date, date of surrender and any outstanding balances in accordance with Regulation 93(4)(b) and (c) of the Public Finance Management (National Government) Regulations 2015 which states that before issuing

temporary imprests, the Accounting Officer shall ensure that the applicant has no outstanding imprests and that the applicant has been recorded in the imprest register including the amount applied for.

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

### **7. Long Outstanding Accounts Payables**

Note 9 to the financial statements reflects accounts payables balance of Kshs.16,606,892. However, the balance includes trade payables amounting to Kshs.4,458,501 which had been outstanding for more one (1) year. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that debt service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

### **8. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

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

- i. Summary Report of Performance of the School information was not provided in the format required in the reporting template guideline and the report was not signed by the School Principal.
- ii. Statement of School Management Responsibility does not have all the information provided for in the reporting template. Further, the statement indicates that the transactions were for the financial year ended 30 June, 2021 instead of 2022.
- iii. The financial statements do not indicate the date when the financial statements were approved but indicate the year only.
- iv. Notes to the financial statements are not properly numbered and some notes are not numbered.
- v. Annex 2 on Summary of Fixed Assets Register is incomplete.

In the circumstances, the annual report and financial statements do not comply with the requirements of the reporting template prescribed by the Public Sector Accounting Standards Board.

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 effects of the matter 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**

#### **Lack of Internal Audit Function and Audit Committee**

During the year under review, the School had not constituted an audit committee and an internal audit unit in accordance with Section 73 (1) of the Public Finance Management Act, 2012 which states that every National Government entity shall ensure that it complies with this Act and— (a) has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, the School's oversight mechanisms were ineffective.

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**

**16 April, 2026**

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

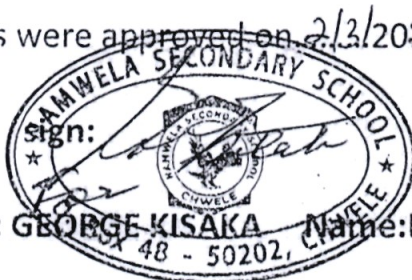
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022 Kshs.	2021 Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	2,492,548.60	855,496.00
Capitation grants for operations	2	12,135,560.80	3,542,944.60
School fund income-parents' contributions	3	19,813,572.00	4,268,926.00
School fund income other receipts	4	22,700,268.00	11,538,183.00
<b>TOTAL RECEIPTS</b>		<b>57,141,949.40</b>	<b>20,205,549.60</b>
<b>PAYMENTS</b>			
Payments for tuition	5	2,679,195.00	671,310.00
Payments for operations	6	12,445,772.00	3,405,568.00
Boarding and school fund payments	7	43,257,648.00	14,931,716.40
<b>TOTAL PAYMENTS</b>		<b>58,382,615.00</b>	<b>19,008,594.40</b>
<b>SURPLUS/DEFICIT</b>		<b>(1,240,665.60)</b>	<b>1,196,954.60</b>

The school financial statements were approved on 2/3/2022 and signed by:

Sign:

*[Signature]*



sign:

*[Signature]*

Name: RICHARD SITATI

Name: GEORGE KISAKA

Name: EVERLYNEWANAMBISI

Chair BOM

School Principal/  
Secretary to BOM

Bursar/  
Finance Officer

Date: 2/3/2023

Date: 2/3/2023

Date: 2/3/2023

NAMWELA SECONDARY SCHOOL  
 ANNUAL REPORT AND FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022.

**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022**

	Note	2021-2022 Kshs.	2021 kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	195,734.17	1,232,181.77
Cash balances	9	409.00	204,627.00
Short term investments	10		-
<b>Total cash and cash equivalent</b>		<b>196,143.17</b>	<b>1,436,808.77</b>
Account's receivables	11		11,324,368.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>15,418,458.17</b>	<b>12,761,176.77</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts payables	12		(7,860,246.00)
<b>NET FINANCIAL ASSETS</b>			<b>4,900,930.77</b>
<b>REPRESENTED BY</b>			
Accumulated fund b/forward	13	1,436,808.77	239,854.17
Surplus/deficit for the year		(1,240,665.60)	1,196,954.60
<b>NET FINANCIAL POSITION</b>		<b>196,143.77</b>	<b>1,436,808.77</b>

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

The school's financial statement were approved on .....2/3/2023 and signed by:

Name: Richard Sitati

Chairman BOM

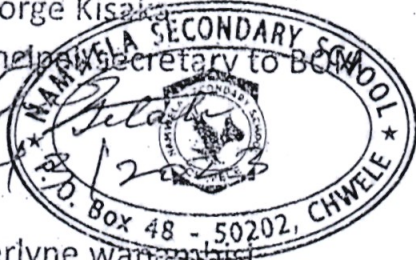
Sign: 

Date: 2/3/2023

Name: <sup>for</sup> George Kisaka  
school principal/secretary to BOM

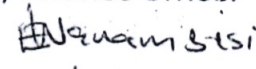
Sign: 

Date: 2/3/2023



Name: Everlyne Wamambisi

Bursar/Finance officer

Sign: 

Date: 2/3/2023

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022

		2021-2022	2021
		Kshs.	kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	2,492,548.60	855,496.00
Capitation grants for operations	2	12,135,560.80	3,542,944.60
School fund income –parents contributions/fees	3	19,813,572.00	4,268,926.00
School fund income-other receipts	4	22,700,268.00	11,538,183.00
<b>Total receipts</b>		<b>57,141,949.40</b>	<b>20,205,549.60</b>
<b>payments</b>			
Payments for tuition	5	2,679,195.00	671,310.00
Payments for operations	6	12,445,772.00	3,405,568.00
Boarding and school fund payments	7	43,257,648.00	14,931,716.40
<b>Total payments</b>		<b>58,382,615.00</b>	<b>23,341,332.00</b>
<b>Net cash flow from operating activities</b>		<b>(1,240,665.60)</b>	<b>1,826,377.60</b>
<b>Adjusted for;</b>			
Decrease/(increase) in accounts receivables		15,222,315.00	11,324,368.00
Increase/(decrease) in accounts payables		(16,606,892.00)	(7,860,246.00)
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of assets		-	-
Acquisition of assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flow from investing activities</b>		<b>-</b>	<b>-</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowing/loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/decrease in cash and cash equivalents</b>			
Cash and cash equivalent at beginning of the year		1,486,808.77	239,854.17
Cash and cash equivalent at end of the year		196,143.17	1,486,808.77

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR  
ENDED 30<sup>TH</sup> JUNE 2022

<i>Receipts/expenses item</i>	<i>Original budget</i>	<i>adjust ment</i>	<i>Final budget</i>	<i>Actual on comparable basis</i>	<i>Budget utilization difference</i>	<i>% of utilization</i>
<b>RECEIPTS</b>						
1)CAPITATION GRANT ON TUITION	1,857,600.00		1,857,600.00	2492548.60	(634,942.60)	134%
<b>TOTALS</b>	<b>1,857,600.00</b>		<b>1,857,600.00</b>	<b>2492548.60</b>	<b>634,942.60</b>	
2)CAPITATION GRANT ON OPERATIONS						
Personal emoluments	3200000.00		3200000.00	3491988.80	(291988.80)	109.12
Maintenance & improvement	4800000.00		4800000.00	3407000.00	1,393,000.00	70.98
Local transport/travel	1200000.00		1200000.00	653841.00	546159	54.49
Electricity & water	800000.00		800000.00	1034443.00	(234443)	129.31
medical	8000000.00		8000000.00	0.00	0	
Administration costs	1120000.00		1120000.00	2162063.00	(1042063)	193.04
activity	600000.00		600000.00	0.00	0	
<b>Total</b>	<b>19720000</b>		<b>19720000</b>	<b>15734433.00</b>	<b>-264,284.40</b>	<b>79.79</b>
3) FEES CHARGED ON PARENTS						
Personnel emoluments	3600000.00		3600000.00	3844112.00	(244112)	106.78
Repairs and maintenance	1800000.00		1800000.00	1761919.00	38081	97.88
Local transport/travel	2700000.00		2700000.00	3694891.00	(994891)	136.35
Electricity & water	3060000.00		3060000.00	3101493.00	(41493)	101.35
Administration costs	2250000.00		2250000.00	2585223.00	(335223)	114.34
Activity	225000.00		225000.00	298261.00	(73261)	132.56
Fee on boarding equipment and stores	1785000.00		1785000.00	1962636.00	(1941336)	109.86
<b>TOTAL</b>	<b>31500000</b>		<b>31500000</b>	<b>34913340</b>	<b>-3593240</b>	<b>110.84</b>
<b>OTHER INCOME</b>						
<b>TOTAL INCOME</b>	<b>53,977,600.00</b>		<b>53,977,600.00</b>	<b>53,140,221.60</b>	<b>(82,621.50)</b>	<b>100.12</b>

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

1)EXPENDITURE FOR TUITION	1,857,600.00			2139575.00	(281,975.00)	115.18
<b>TOTAL</b>	<b>1,857,600.00</b>		<b>2089800.00</b>	<b>2139575.00</b>	<b>(281,975.00)</b>	<b>115.18</b>
2)EXPENDITURE FOR OPERATIONS						
Personnel emoluments	3200000		3200000	5,730,046.00	(2,530,046.00)	179.06
Repairs,maintance & improvement	4800000		4800000	3,440,180.00	1,359,820.00	71.67
Local transport/travelling	12000000		1200000	441809.00	758,191.00	36.81
Electricity,water & conservancy	800000		800000	513,480.00	286,520.00	64.19
Medical	800000		800000	40,000.00	760,000.00	5
Administration costs	1120000		1120000	1,236,000.00	(116,021)	110.36
Activity expenses	600000		600000	32510.00	567490.00	5.4
<b>TOTAL</b>	<b>12520000</b>		<b>12520000</b>	<b>11,434,025.00</b>	<b>1,085,954.00</b>	<b>91.37</b>
3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	3,600,000.00		3,600,000.00	268,933.00	3,331,067.00	7.47
Repair,maintenance and improvement	1,800,000.00		1,800,000.00	3,450,093.00	(1,650,093.00)	191.57
Local transport/travel	2,700,000.00		2,700,000.00	3,107,743.00	(407,743.00)	115.10
Electricity,water and conservancy	3,060,000.00		3,060,000.00	1,448,603.00	1,611,397.00	
Medical expenses						
Administration costs	2,250,000.00		2,250,000.00	3,148,409.00	(898,409.00)	139.93
Activity	225,000.00		225,000.00	623,735.00	(398,735.00)	277.21
Boarding equipment and stores	17,865,000.00		17,865,000.00	21,012,878.00	(3,147,878.00)	117.52
<b>TOTALS</b>	<b>30552500</b>		<b>31,500,000.00</b>	<b>33,060,394.00</b>	<b>-1,560,394.00</b>	<b>104.95</b>

Commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%

i.

ii.

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

**IX. SIGNIFICANT ACCOUNTING POLICIES**

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

**1) Statement of compliance and basis operation**

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 functional and reporting currency

**2) Recognition of receipts and payments**

The school recognizes all receipts from the various sources when the event occurs and related cash has actually been received by the school. In addition, the school recognizes 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

NAMWELA SECONDARY SCHOOL  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
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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 amount held at various financial institutions at the end of the financial year.

**5) Accounts receivable**

For the purpose of these financial statements, imprest and advances to authorized 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 purpose 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.

NAMWELA SECONDARY SCHOOL  
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**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 disposal 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 statement for the year ended 30<sup>th</sup> June 2022.

NAMWELA SECONDARY SCHOOL  
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FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1. CAPITATION GRANT FOR TUITION**

	2021-2022	2021
	Kshs.	Kshs
Tuition	2,492,548.60	
Exercise books		427,748.00
Laboratory equipment		213,874.00
Internal exams		106,937.00
Teaching/learning materials		53,469.00
Chalks		53,468.00
Exams and assessment		
Teachers guide		
<b>Total</b>	<b>2,492,548.60</b>	<b>855,496.00</b>

**2. CAPITATION GRANT FOR OPERATION**

	2021-2022	2021
	Kshs.	kshs
Personnel emoluments	3,491,988.80	2,022,008.00
Local transport/travelling	653,841.00	318,214.60
Electricity and water	1,034,443.00	335,344.00
Administration costs	2,162,063.00	867,378.00
M&I	3,407,000.00	
Statutory	787,739.00	
Namwela Sacco	95,636.00	-
Elimu sacco	317,808.00	
Salary advance	151,010.00	
Unio dues	34,032.00	
<b>Total</b>	<b>12,135,560.80</b>	<b>3,542,944.60</b>

NAMWELA SECONDARY SCHOOL  
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**3. PARENTS CONTRIBUTION/FEES-SCHOOL FUND ACCOUNT**

	2021-2022	2021
	Kshs.	Kshs.
Personnel emolument	3,844,112.00	1,061,904.00
Repair and maintenance	1,761,919.00	561,652.00
Local travel/transport	3,151,373.00	619,673.00
Electricity and water	2,856,613.00	800,429.00
Administration costs	2,190,226.00	626,683.00
Activity	298,261.00	22,697.00
Fees arrears	2,866,077.00	575,888.00
Fee prepayment	2,844,991.00	
<b>Total</b>	<b>19,813,572.00</b>	<b>4,268,926.00</b>

**4. OTHER RECEIPTS-SCHOOL FUND ACCOUNT**

	2021-2022	2021
	Kshs.	Kshs.
Fee on boarding equipment and store	14,869,726.00	8,113,825.00
Rent income	8,700.00	
Income from farming activities	2,960.00	
KCSE	680,800.00	18200.00
Income from bakery	16,000.00	
School Canteen	851,292.00	
Income from bus hire	447,500.00	205,000.00
Income from water	177,000.00	
Savings a/c	1,879,000.00	866,158.00
Empty cooking fat/oil jericans	13,820.00	
Miscellaneous	321,470.00	44,000.00
Infrastructure	3,432,000.00	2,291,000.00
<b>Total</b>	<b>22,700,268.00</b>	<b>11,538,183.00</b>



NAMWELA SECONDARY SCHOOL  
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**5. PAYMENTS FOR TUITION**

	<b>2021-2022</b>	<b>2021</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Exercise books	1,230,000.00	
Laboratory equipment	413,915.00	
Internal exams	296,760.00	49,500.00
Teaching/learning materials	198,900.00	125,000.00
Sundry creditors	535,780.00	495,250.00
Bank charges	3,840.00	1,560.00
<b>Total</b>	<b>2,679,195.00</b>	<b>671,310.00</b>

**6. PAYMENT FOR OPERATIONS**

	<b>2021-2022</b>	<b>2021</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Personnel emolument	5,730,046.00	1,296,778.00
Administration cost	1,236,021.00	1,298,385.00
Repairs, maintenance & improvement	3,440,180.00	
Local transport /travelling	441,809.00	138,340.00
Electricity and water	513,480.00	259,350.00
Medical	40,000.00	159,435.00
Activity expenses	32,510.00	
Kra penalty	50,000.00	
Bank charges	5,281.00	2,280.00
Bus maintenance	0.00	11,000.00
Sundry creditors	0.00	240,000.00
Union dues	34,212.00	
Statutory deductions	527,372.00	
Salary advance	26,100.00	
Namwela sacco	80,536.00	
Elimu sacco	288,225.00	
<b>TOTAL</b>	<b>12,445,772.00</b>	<b>3,405,568.00</b>

NAMWELA SECONDARY SCHOOL  
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**7. BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2021-2022</b>	<b>2021</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Personnel emolument	268,933.00	1,486,029.00
Repair, maintenance & improvement	3,450,093.00	878,241.00
Local transport/travelling	3,107,743.00	814,177.00
Electricity and water	1,448,603.00	539,970.00
Medical expenses	247,272.00	22,650.00
Bus maintenance	982,880.00	216,600.00
Administration costs	3,148,409.00	772,830.00
Infrastructure	3,761,758.00	1,851,030.00
Activity	623,735.00	14,200.00
Bank charges	42,325.00	7,238.00
Expenses on income generating activities	39,400.00	
Fee on boarding equipment and stores	21,012,878.00	6,620,175.00
KCSE	1,097,800.00	
Bus insurance cost	200,000.00	
KRA penalty	50,000.00	
Savings a/c	1,831,533.00	300,000.00
Miscelenous	124,535.00	21,505.00
Sundry creditors	1,550,049.00	1,387,071.40
Fee refund	126,918.00	
Salary advance	138,400.00	
paye	4,384.00	
<b>Total</b>	<b>43,257,648.00</b>	<b>14,931,716.40</b>



NAMWELA SECONDARY SCHOOL  
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**Bank Accounts**

Description	Account Type	Account Number	2021/2022	2020/2021
Tuition Account	Active	011039049931300	4811.27	190857.67
Operations Account	Active	011039049931301	23,816.70	121,000.90
School Fund Account/Boarding	Active	1106248775	26,911.20	446,593.20
Savings Account	Active	1105398153	0	0
Parent Association Development Account	N/A	-	0	0
Income Generating Activities Account	N/A	-	0	0
Infrastructural Account	active	1260936236	140,195.00	473,730.00
<b>Total</b>			<b>195734.17</b>	<b>1,232,181.77</b>

**Cash In Hand**

Description	2021/2022	2020/2021
Notes and Coins	409.00	204,627.00
<b>Total</b>	<b>409.00</b>	<b>204,627.00</b>

**Short Term Investments**

Description	2021/2022	2020/2021
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

**8. ACCOUNTS RECEIVABLE**

Description	2021-2022	2021
	Kshs.	kshs
Fees arrears	15,208,825.00	11,302,418.00
Salary advances	13,490.00	4,500.00
Namwela Sacco		12,450.00
Imprest		5,000.00
<b>Total</b>	<b>15,222,315.00</b>	<b>11,324,368.00</b>

Description	2021-2022	2021
	Kshs.	kshs
Fees arrears for current year	6,772,484.00	9,747,545.00
Fees arrears for the previous year	6,892,468.00	1,177,133.00
Fees arrears for prior periods (over two years)	1,543,873.00	377,740.00
<b>Total</b>	<b>15,208,825.00</b>	<b>11,302,418.00</b>

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**9. ACCOUNT PAYABLE**

Description	2021-2022	2021
	Kshs.	Kshs.
Trade creditors(see ageing below & appendix 1)	13,579,333.00	6,544,330.00
Prepaid fees	2,718,073.00	1,246,864.00
Namwela sacco	15,100.00	
PAYE	1,302.00	
Elimu Sacco	29,583.00	
NSSF	100,181.00	50,751.00
NHIF	154,500.00	15,300.00
Union dues	8,820.00	3,001.00
<b>Subtotal</b>	<b>309486.00</b>	
<b>Total</b>	<b>16,606,892.00</b>	<b>7,860,246.00</b>

Description	2021-2022	2021
	Kshs.	kshs
Trade creditors for current year	9,120,832.00	4,590,947.00
Trade creditors for the previous year	3,040,898.00	1,465,035.00
Trade creditors for prior periods (over 2 years)	1,417,603.00	488,348.00
<b>Total</b>	<b>13,579,333.00</b>	<b>6,544,330.00</b>

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10. FUND BALANCE BROUGHT FORWARD

Description:	2021-2022	2021
	Kshs.	kshs
Bank balance	1,295,446.77	239,113.17
Cash balance	204,627.00	741.00
Total	1,500,073.77	239,854.17

Other important disclosure

11. Non-current liabilities summary

Description:	2021-2022	2020-2021
	Kshs	kshs
Bank loan (s)		0
Outstanding leases		0
Hire purchase		0
Gratuity and leave provision		0
Total		0

12. Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs.	kshs
Cattle	10	225,000.00	150,000.00
Goats	1	5,000.00	0
Sheep	1	4,000.00	0
Trees	600	340,000.00	340,000.00
Coffee/tea plantation		0.00	0.00
Poultry		0.00	0.00

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13. Borrowing

Description	2021-2022	2020-2021
	Kshs.	kshs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayment of during the year	0	0
<b>Balance at the end of the year</b>		

14. Stock /inventory

description	2021-2022	2020-2021
	Kshs.	kshs
<b>b) borrowings</b>		
stock/inventory at beginning of the year	2584860.00	1,051,660.00
Stock/inventory purchased during the year		99,641,996.00
Stock/inventory issued during the year		12,408,796.00
<b>Balance at end of the year</b>		<b>2,584,860.00</b>

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**15. 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/observation from auditor	Management comments	Status: resolved/not Resolved	Time frame:

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ANNEX 1- ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of goods or services	Original amount	Date contracted	Amount paid to date	Outstanding balance 2022	Outstanding balance 2021
	a	b	c	d=a-c	
	kshs	kshs	kshs	kshs	kshs
<b>Construction of buildings</b>					
1. Marge Designs Kenya LTD	71,069,383.40		10,688,355.00	682,746.00	1,859,6.00
• Material cost	61,266,710.00				
• Labour cost	11,371,101.00	23/7/2018			
<b>Total</b>	<b>72,637,811.00</b>				
2. Richard Wanyama	750,000.00	16/7/2021	618,666.00	131,334.00	
3. Eliud Sitati	447,500.00	12/7/2021	185,000.00	262,500.00	
<b>Sub Total</b>				<b>1,076,580.00</b>	
<b>Supply of goods</b>					

NAME OF SUPPLIER	AMOUNT (ksh)
Khamulati junior stores	555920.00
Daniel nalianya	81800.00
Kaiga aggrey	53000.00
Justus wanyonyi	286388.00
Beatrice Wanjala	132211.00
Ivone maresha	52211.00
Mary L. Moienje	53000.00

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Sammy Mandasaba			46800.00
Moses Biketi Barasa			291440.00
John Nalianya			66800.00
Peter s. walubengo			60000.00
Blissmark Enterprises			20000.00
Esther N.Wanyonyi			20000.00
Zipporah N. Lusweti			20000.00
Denice Wangila Wasike			300000.00
Peter Wasike Waliaula			20000.00
Peter Nakitare Kitalia			294000.00
Scholastic n.nyongesa			146000.00
Violet khasiro nambafu			83000.00
Lydia L.Kagota			13500.00
Letretech ltd			162000.00
Calistus Wasike			24000.00
Chwele girls high school			105000.00
Abaloi enterprises			3000.00
Roney hardware			128300.00
Cleriant general Enterprises			310000.00
Jacob Mulongo			19800.00
Marvik emporium			542400.00
Edwick Juma Biketi			67500.00
Ivan Imbega Lusiji			150000.00
Mas-lab supplies			1065000.00
Friends chwele mission dispensary			351510.00

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Celmax agencies				31950.00
Peak lab				33250.00
Jimmy Wamalwa Simbi				300148.00
Naconcy agency				565900.00
Schenker suppliers				12000.00
Seropa Enterprises				20000.00
Bungoma Mamu agencies				281410.00
Mas lab supplies				591940.00
Naconce Agency				130500.00
Stella Chilande Saisi				46000.00
Peribancy enterprise				287600.00
Chrimula Enterprise				28000.00
Nopat Agencies				177550.00
EUFID LTD				304400.00
Brina Business Machines				284500.00
Bungoma Mamu Agencies				107270.00
Eliud Wanjala				262500.00
Richard Wanyama				131334.00
TOTAL				501104.00
<b>GRAND TOTAL OF CREDITORS KSH.9,120,832.00</b>				

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Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	location	Historical cost b/f (kshs) 1 <sup>st</sup> July 20XX	Additions during the year (kshs)	Disposals during the year (Kshs)	Historical cost c/f (kshs) 30 <sup>th</sup> June 20XX
Land 1	1965	Namwela				
Land 2	2003 2016	Namwela Namwela	1 acre, 1acre	180,000.00 300,000.00		
Buildings & structure						
Motor vehicles	KAT 448X-2005 KCK 737U-2017		7,500,000.00 7,500,000.00			
Office equipment, furniture & fitting						
ICT equipment, and other ICT Assets						
Tools and apparatus						
Textbooks						
Other machinery & equipment						
Heritage and cultural assets						
Intangible assets- software						
<b>Total</b>						

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**ANNEX 2-SUMMARY OF FIXED ASSETS REGISTER**

Summary of Fixed Assets Register

As at 30 June 2022

Fixed Assets

Cost

Accumulated Depreciation

Net Book Value