

REPUBLIC OF KENYA



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REPORT

PARLIAMENT
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OF

THE AUDITOR-GENERAL

ON

NGALA SECONDARY SCHOOL FOR THE DEAF

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

NAKURU COUNTY

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 03 MAR 2025

DAY: Wednesday

TABLED
BY:

Hon. Naomi Wagera
Deputy Majority Party Whip

CLERK-AT
THE-TABLE:

A. Shibusca



**NGALA SECONDARY SCHOOL FOR THE DEAF
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2022**

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

NGALA SECONDARY SCHOOL FOR THE DEAF))
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

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

(a) Background information

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

The school was registered in 03/2012 under registration number SP/ED/222/12 and is currently categorized as a *National* public school established, owned or operated by the Government.

The school is a boarding school and had 128 number of students as at 30th June 2022 It has 2 streams and 15 teachers of which 2 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	SAMUEL MAINA	Chairman	2 nd JUNE 2022
2	PAULINE W.KIMANI	Secretary - Principal	2 nd JUNE 2022
3	EVERLYNE MAHERO	Member –PTA CHAIR	2 nd JUNE 2022
4	LEAH WAMBUI	Member	2 nd JUNE 2022
5	MARION KIMANI	Member	2 nd JUNE 2022
6	JOSEPH MOKAYA	Member	2 nd JUNE 2022
7	GRACE GICHIMU	Member	2 nd JUNE 2022
8	JAMES GITHNJI	Member – Rep CEB	2 nd JUNE 2022
9	NELLAH JEBET	Member Rep Teachers	2 nd JUNE 2022
10	MICHAEL CHERUIYOT	Members - Sponsor	2 nd JUNE 2022
11	ALBERT KAISHA	Member - Community	2 nd JUNE 2022
12	WINFRED AGALA	MemberSpecial Needs	2 nd JUNE 2022
14	NYATHAK	Rep Students	2 nd JUNE 2022
15	MARY MASWAN	Member	2 nd JUNE 2022
16	JEREMIAH MUTISYA	Member	2 nd JUNE 2022
17	CHARLES MUONI	Member	2 nd JUNE 2022
18	PAUL OCHEING	Member	2 nd JUNE 2022
19	LOICE GATHONI	Member	2 nd JUNE 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Samuel Maina 2.Pauline Kimani 3.James Githinji 4.Everlyne Mahero 5.SCDE		2 out of 2
2	Audit Committee	1. Michael Kipruto 2.Charles Muoni 3.Joseph Mokaya 4.Loice Gathoni 5.Paul Ocheing	Chairperson Principal BOM MEMBER BOM MEMBER BOM MEMBER	2 out of 2
3	Finance,procurement and general purposes Committee	1. Samuel Maina 2.Pauline Kimani 3.Rodah Mashwan 4. Everlyne Mahero 5.Albert Kaisha	Chairperson Principal BOM CHAIR Vice chair BOM MEMBER	2 out of 2
4	Academic Committee	1. Everlyne Mahero 2.Maria Waruguru 3. Rodah Mashwan 4.Grace Gathoni 5.Jopseph Mokaya	Principal Teacher representative BOM MEMBER BOM MEMBER BOM MEMBER	2 out of 2

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5	Development Committee	1. James Githinji 2. Samuel Maina 3. Michael Kipruto 4. Everlyne Mahero 5. Maria Waruguru 6. Winne Agala 7. SCDE	Chair Principal PTA CHAIR Dep/Principal BOM Vice chair BOM CHAIR	2 out of 2
6	Discipline and welfare Committee	1. Everlyne Mahero 2. Jeremiah Nzuki 3. Albert Kaisha 4. Marion Wangui 5. Nellah Jebet	Chairperson Principal Members Member member	2 out of 2
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Pauline Wangechi Kimani	358557
2	Deputy Principal	Maria Waruguru	501233
3	School Bursar	Daniel Nyabwari Oseko	BOM

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 12197-20100
Telephone: 0722702087
E-mail: nsecdeaf14@gmail.com
Website: XXXXXXXX
Facebook:
Twitter:

(f) School Bankers

The following school operated five (5) number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

Tuition Account

1. Name of Bank: Kenya Commercial Bank Limited
Branch: Nakuru
Account Number: 1117809145

Operation Account

Name of Bank: Kenya Commercial Bank Limited Branch:
Branch: Nakuru
Account Number: 1117809021

Boarding Account

Name of Bank: Kenya Commercial Bank Limited Branch:
Branch: Nakuru
Account Number: 1115034057 Name of Bank: Kenya Commercial Bank Limited
Branch: Nakuru

Infrastructure Account

Name of Bank: Kenya Commercial Bank Limited Branch:
Branch: Nakuru
Account Number: 1124605134
Branch: Nakuru

CDF Account

Name of Bank: Equity Bank limited:
Branch: Kenyatta Avenue -Nakuru
Account Number: 0310297724336
Branch: Nakuru

2. MPESA Pay Bill No. xxxxxxxx attached to XX bank account

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

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:**

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2022	2021	2020
		Kshs	Kshs	Kshs
1	School Fund Account	1,408,119.00	-1,321,597.00	955,034.00
2	Operations Account	-406,080.30	-97,220.00	661,115.00
3	Tuition Account	69,932.00	74,885.75	53,598.00
4	Infrastructure Account	5,560,000.00	-2,594,874.35	2,700,591.00
5	CDF Account	-276,620.00	-277,380.00	0.00
	TOTAL	6,335,350.70	-4,216,185.60	4,370,338.00

SNO	ACCOUNTS	2022	2021	2020
		KSHS	KSHS	KSHS
1	Operations Account	1,772,909.20	998,965.55	1,259,075.00
2	Tuition Account	323,528.20	159,904.75	188,700.00
	Total	2,096,437.40	1,158,870.30	1,447,775.00
	No of Students	128	131	120
	Ratio of Capitation per student	1:16,378.42	1:8,846.34	1:12,064.80

OVERVIEW OF NET GROWTH OF OTHER INCOME(S)				
SNO	ACCOUNTS	2022	2021	2020
		KSHS	KSHS	KSHS
	Special Needs Grants Capitation	5,215,873.50	2,143,806.00	4,287,500.00
	Total	5,215,873.50	2,143,806.00	4,287,500.00

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL				
SNO	ACCOUNTS	2022	2021	2020
		Kshs	Kshs	Kshs
1	School Fund Account	3,654,074.00	2,269,263.00	1,585,246.00
2	Operations Account	4,616,863.00	1,713,485.00	5,366,535.00
3	Tuition Account	861,996.00	385,019.00	435,223.00
4	Infrastructure Account	0.00	2,797,874.35	553,409.00
5	CDF Account	276,620.00	1,172,620.00	0.00
	Total	9,409,553.00	8,338,261.35	7,940,413.00

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SNO	ACCOUNTS	2022	2021	2020
		KSHS	KSHS	KSHS
a	Debtors	76,150.00	81,360.00	79,350.00
b	Creditors	xxxxx	715,742.00	1,020,157.00

SNO	ACCOUNTS	2022	2021	2020
		KSHS	KSHS	KSHS
1	School Fund Account	480,826.00	106,043.00	110,725
2	Operations Account	43,094.75	812,534.05	1,019,175.50
3	Tuition Account	120,444.95	50,512.75	324,067.00
4	Infrastructure Account	5,970,733.65	171,489.65	3,068,520.00
5	CDF Account	760.00	277,380.00	0.00
	Total	6,615,859.35	1,417,959.45	4,522,487.50

b) **Teacher Student ratio:**

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

Teachers Establishment;

	<i>Male</i>	<i>Female</i>	<i>Total</i>
<i>TSC Teachers</i>	<i>3</i>	<i>10</i>	<i>13</i>
<i>BOM teachers</i>	<i>1</i>	<i>1</i>	<i>2</i>
TOTAL	4	11	15

S/no	Subject	Male	Female	Teacher student Ratio	No. of Teachers Posted to the school 2022	No. of Teachers Tranfered/ Retired during the year to the school 2022	TSC Teachers	BOM Teachers	TOTAL

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1	Maths	1	3	1:33	N/A	N/A	3	1	4
2	Eng	0	2	1:66	N/A	N/A	2	0	2
3	KSL	1	2	1:44	N/A	N/A	3	0	3
4	BIO	1	3	1:33	N/A	N/A	4	0	4
5	CHEM	0	2	1:66	N/A	N/A	1	1	2
6	PHY	0	1	1:77	N/A	N/A	1	0	1
7	GEO	1	2	1:30	N/A	N/A	2	1	3
8	HIST	1	0	1:90	N/A	N/A	1	0	1
9	CRE	1	1	1:66	N/A	N/A	2	0	2
10	AGRI	0	2	1:45	N/A	N/A	2	0	2
11	H/SCI ENC	0	1	1:90	N/A	N/A	1	0	1
12	B/STU	2	0	1:45	N/A	N/A	1	1	2
	TOTAL								

NOTE. The school has short fall for teachers for;

a)physics

b)History

c)H/sceience

d)Chemistry (presently 1 TSC teacher and 1 BOM teacher are on Duty)

e)Business studies(presently 1 TSC teacher and 1 BOM teacher are on Duty)

c) Mean score in the 2021 KCSE:

performance of the school for each over the last three years. Including the number of students that have since transitioned to institutions of higher learning..

	NO.OF STUDEN TS	MEAN SCORE	DEVIATION	NO OF STUDENTS TRANSITIONED TO INSTITUTIONS OF HIGHER LEARNING
2021	32	2.3750	+0.3750	NIL
2020	27	2.0000	0.0000	NIL
2019	18	2.000	-0.1667	NIL

d) Number of Candidates in the 2022 KCSE:20

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

	2022	2021	2020
<i>BOYS</i>	13	16	17
<i>GIRLS</i>	07	16	10
<i>TOTAL</i>	20	32	27

e) Capacity of the school:

The number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education.

SCHOOL ENROLMENT

Below is the schools actual enrolment as at 30th June 2022

	<i>FORM ONE</i>	<i>FORM TWO</i>	<i>FORM THREE</i>	<i>FORM FOUR</i>	<i>TOTAL</i>
<i>BOYS</i>	16	25	29	13	83
<i>GIRLS</i>	15	11	12	07	45
<i>TOTAL</i>	31	36	41	20	128

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<i>S/No</i>	<i>Facility</i>	<i>No. Available</i>	<i>No of students</i>	<i>Capacity of infrastructure Girls 48, Boys 83 Total 131</i>	<i>Remarks</i>
1	<i>Classrooms</i>	6	84	1:22	<i>Inadequate</i>
2	<i>Laboratory</i>	1	18	1:131	<i>Inadequate</i>
3	<i>Library</i>	1	30	1:131	<i>Inadequate</i>
4	<i>Girls Dormitory</i>	1	60	1:48	<i>Adequate</i>
5	<i>Boys Dormitory</i>	1	48	1:83	<i>Inadequate</i>
6	<i>Multipurpose Hall</i>	1	200	1:200	<i>Adequate</i>
7	<i>Girls Toilet</i>	7	48	1:7	<i>Adequate</i>
8	<i>Boys Toilet</i>	5	83	1:17	<i>Inadequate</i>
9	<i>Teachers Toilet female</i>	3	12	1:4	<i>Adequate</i>
10	<i>Teachers Toilet male</i>	1	3	1:3	<i>Adequate</i>
11	<i>Teachers urinal male</i>	1	3	1:3	<i>Adequate</i>
12	<i>Support staff toilet female</i>	3	3	1:1	<i>Adequate</i>
13	<i>Support staff toilet female</i>	3	3	1:1	<i>Adequate</i>

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f) Development projects carried out by the school:

Development projects carried out in the year and on-going projects is as follows;

DEVELOPMENT PROJECTS

S/N	PROJECT	SOURCE OF FUNDS(TIG)	SOURCE OF FUNDS(R.M.I)	YEAR	APPROVED AMOUNT	STATUS
1	Storeyed boys dormitory	MOE TIG GRANTS	RMI	2020/2021	2,800,000.00	In progress
2	Twin laboratory and classrooms	MOE TIG GRANTS	RMI	2021/2022	5,700,000.00	GROUN D AWAITIN G PLASTR EING
	TOTAL				5,700,000.00	

Sign


 School Principal



III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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

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


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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.

Name: Samuel Ngundo
Designation: Chairman, School Board of Management


Sign: 
Date: 14/10/2022

Name: Pauline W.Kimani
Designation: School Principal & Secretary to Board of Management

Sign: 
Date: 14/10/2022

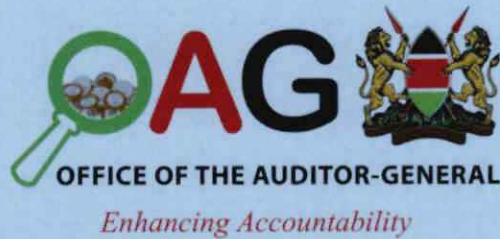


Name: Daniel Nyabwari Oseko
Designation: Bursar/ Finance Officer

Sign: 
Date: 14/10/2022

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NGALA SECONDARY SCHOOL FOR THE DEAF FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ngala Secondary School for the Deaf - Nakuru County set out on pages 15 to 31 which comprise the statement of financial assets and liabilities as at 30 June, 2022, statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for

Report of the Auditor-General on Ngala Secondary School for the Deaf for the year ended 30 June, 2022 - Nakuru County

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Ngala Secondary School for the Deaf 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 and the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

Inaccuracy of the Financial Statements

The statement of receipts and payments reflects amounts of Kshs.23,662,904 and Kshs.17,030,933 in respect of total receipts and total payments respectively. The figures differ from the corresponding amounts of Kshs.18,061,989 and Kshs.22,337,291 shown in the statement of comparison of budget and actual amounts. The variances have not been reconciled.

In the circumstances, the accuracy and completeness of the statement of receipts and payments and the statement of budgeted versus and actual amounts could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 17 February, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Failure to Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,210,783 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.189,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. Further, an amount of Kshs.189,000 was transferred three (3) months of receipt. This was contrary to The Ministry of Education Circular Ref. No MOE.HQS/3/13/3 dated 16 June, 2022 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 of the funds in the operations account.

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

3. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.15,764,904 and Kshs.9,409,553 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

In the circumstances, Management was in breach of the law

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.3,930,694 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.466,000 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.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.466,000 could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and the 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease its operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition, to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gatungu, CBS
AUDITOR-GENERAL

Nairobi

23 October, 2024

**NGALA SECONDARY SCHOOL FOR THE DEAF))
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022**

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	931,928.00	459,904.75
Capitation grants for operations	2	4,210,782.70	1,616,265.00
School Fund Income- Parents' Contributions	3	5,042,393.00	1,842,906.00
School Fund Income- Other receipts	4	5,579,800.00	203,000.00
Proceeds from borrowings		Xxx	Xxx
TOTAL RECEIPTS		15,764,903.70	4,122,075.75
PAYMENTS			
Payments for Tuition	5	861,996.00	385,019.00
Payments for operations	6	4,616,863.00	1,713,485.00
Boarding and school fund payments	7	3,930,694.00	6,239,757.35
TOTAL PAYMENTS		9,409,553.00	8,338,261.35
SURPLUS/DEFICIT		6,355,350.70	(4,216,185.60)

The school financial statements were approved on 14/10/2022 and signed by:

Sign:



Name Samuel Ngundo

Chair BOM

Date 14/10/2022

Sign



Name Pauline W. Kimani

School Principal/
Secretary to BOM

Date 14/10/2022

Sign



Name Daniel Nyabwari

Bursar/
Finance Officer

Date 14/10/2022

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	6,615,859.35	1,169,600.45
Cash Balances	9	xxx	xxx
Short term Investment	10	xxx	xxx
Total Cash and cash equivalent		6,615,859.35	1,169,600.45
Account's receivables	11	76,150.00	86,150.00
TOTAL FINANCIAL ASSETS		6,692,009.35	1,255,750.45
FINANCIAL LIABILITIES			
Accounts Payables	12	86,150.00	1,005,242.00
NET FINANCIAL ASSETS		6,605,859.35	(250,507.90)
REPRESENTED BY			
Accumulated Fund b/fwd	13	(250,508.65)	4,466,693.50
Surplus/Deficit for the year		6,355,350.70	(4,216,185.60)
NET FINANCIAL POSSITION		6,605,859.35	(250,507.90)

The School's financial statements were approved on 14/10/2022 and signed by:

Sign: 

Name Samuel Ngundo

Chair BOM

Date 14/10/2022

Sign: 

Name Pauline W. Kimani

School Principal/
Secretary to BOM

Date 14/10/2022

Sign: 

Name Daniel Nyabwari

Bursar/
Finance Officer

Date 14/10/2022

NGALA SECONDARY SCHOOL FOR THE DEAF))
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	931,928.00	459,904.75
Capitation grants for operations	2	4,210,782.70	1,616,265.00
School fund income- Parents contributions/ fees	3	5,042,393.00	1,842,106.00
School fund income- other receipts	4	5,579,800.00	203,000.00
Total receipts		15,764,903.70	4,122,076.00
Payments			
Payments for Tuition	5	861,996.00	385,019.00
Payments for operations	6	4,616,863.00	1,713,485.00
Boarding and school fund payments	7	3,930,694.00	6,239,757.00
Total payments		9,409,553.00	8,338,261
cash flow from operating activities		6,355,350.70	(4,216,186.00)
Adjustment for;			
Increase in receivables		10,000.00	(14,915.00)
Decrease in payables		(919092.00)	(6,800.00)
Net cash flow from operating activities		5,446,258.70	(4,237,900.60)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		xxx	xxx
Acquisition of Assets		xxx	(xxx)
Proceeds from investments		xxx	xxx
Purchase of investments		(xxx)	(xxx)
Net cash flows from Investing Activities		xxx	xxx
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		xxx	xxx
Repayment of principal borrowings		xxx	xxx
Net cash flow from financing activities		xxx	xxx
NET INCREASE IN CASH AND CASH EQUIVALENTS		5,446,258.70	(4,237,900.60)
Cash and cash equivalent at BEGINNING of the year		1,169,600.65	5,407,500.50
Cash and cash equivalent at END of the year		6,615,859.35	1,169,599.90

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

PUBLIC SECONDARY SCHOOLS - (Ngala Secondary School For The Deaf)
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For the year ended 30th June 2022

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/e
	Kshs	Kshs			Kshs	Ksh
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
SNE GRANTS	xxx	xxx	xxx	xxx	xxx	xxx
Exercise books	172,800.00	xxx	xxx	251,000.00	xxx	xxx
Laboratory equipment	60,000.00	xxx	70,000	156,000.00	20,790.00	70
Internal exams	92,000.00	xxx	133,426.00	163,426.00	11,072.00	91
Teaching / learning materials	275,502.00	xxx	275,502.00	331,502.00	30,872.00	89
Chalks	30,000.00	xxx	30,000.00	30,000.00	0	100
Exams and assessment	xxx	xxx	xxx	xxx	xxx	X
Teachers guides	xxx	xxx	xxx	xxx	xxx	X
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	719,042.20	xxx	719,042.20	2,553,415.70	-3,742.70	-5
Repairs and maintenance	5,560,000.00	xxx	5,560,000.00	5,675,000.00	115,000.00	-2
Local transport / travelling	xxx	xxx	xxx	25,000.00	xxx	xxx
Electricity and water	228,259.60	xxx	228,259.60	700,000.00	0	100
Medical/	xxx	XX	xxx	45,000.00	-11,911.50	100
Administration costs	263,500.00	xxx	263,500.00	762,367.00	-379,220.00	243
Activity	7,107.40	xxx	7,107.40	125,000.00	-7,252.60	202
Gratuity	xxx	xxx	xxx	xxx	xxx	X
SMASSE	xxx	xxx	xxx	xxx	xxx	X
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments	55,500.00	xxx	55,500.00	55,000.00	2,300.00	96
Repairs and maintenance	xxx	xxx	xxx	xxx	xxx	X
Local transport / travelling	10,000.00	xxx	10,000.00	10,000.00	0	100

NGALA SECONDARY SCHOOL FOR THE DEAF))
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utiliza
	a	b	c=a+b	d	e=c-d	f=d/c
	Kshs	Kshs			Kshs	Kshs
Electricity and water	3,860.00	xxx	3,860.00	353,860.00	xxx	X
KCSE Repeaters	19,800.00	xxx	19,800.00	19,800.00	xxx	X
Administration costs	456,830.00	xxx	456,830.00	456,830.00	124,727.00	73
Activity	xxx	xxx	xxx	xxx	243,395.00	86
SMASSE	xxx	xxx	xxx	xxx	xxx	X
Fee on Boarding						
Equipment and Stores	2,816,703.00	xxx	2,816,703.00	4,166,703.00	0	100
OTHER INCOME						
Rent income /INFRASTRUCTURE	5,800,000.00	xxx	5,800,000.00	5,560,000.00	5,800,000.00	-100
Income from farming activities	xxx	xxx	Xxx	xxx	xxx	X
Insurance compensation	xxx	xxx	Xxx	xxx	xxx	X
Income from Posho mill	xxx	xxx	Xxx	xxx	xxx	X
Income from Bus Hire	xxx	xxx	Xxx	xxx	xxx	X
Fee for hire of ground and equipment	xxx	xxx	Xxx	xxx	xxx	X
Interest income	xxx	xxx	Xxx	xxx	xxx	X
Income from any other investment	xxx	xxx	Xxx	xxx	xxx	X
TOTAL INCOME	23,858,403.20	xxx	23,858,403.20	18,061989.0	6,026,053.90	76
(1) EXPENDITURE FOR TUITION						
SNE GRANTS	xxx	xxx	xxx	xxx	80,024.00	85
Exercise books	xxx	xxx	xxx	232,000.00	xxx	xxx
Laboratory equipment	70,000.00	xxx	70,000	138,523.00	20,790.00	70
Internal exams	133,426.00	xxx	133,426.00	150,000.00	11,072.00	91
Teaching / learning materials	275,502.00	xxx	275,502.00	313,827.00	30,872.00	89
Chalks	xxx	xxx	xxx	24,820.00	xxx	xxx
Exams and assessment	xxx	xxx	xxx	xxx	xxx	X
Teachers guides	xxx	xxx	xxx	xxx	xxx	X
Administration costs	xxx	xxx	Xxx	xxx	xxx	x
Bank Charges	xxx	2,826.00	2,826.00	2,826.00	0	100
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	719,042.20	xxx	719,042.20	2,506,424.90	-3,742.70	-5
Repairs, maintenance & improvements	xxx	xxx	xxx	xxx	115,000.00	-2

NGALA SECONDARY SCHOOL FOR THE DEAF))
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c
	Kshs	Kshs			Kshs	Kshs
Local transport / travelling	xxx	xxx	xxx	25,000.00	xxx	xxx
Electricity, water and conservancy	228,259.60	xxx	228,259.60	682,945.00	0	100
SNE	xxx	XX	xxx	xxx	-11,911.50	100.
Administration costs	263,500.00	xxx	263,500.00	1,232,295.10	-379,220.00	243
Activity Expenses	7,107.40	xxx	7,107.40	121,244.00	-7,252.60	202
Gratuity	xxx	xxx	Xxx	xxx	xxx	x
Bank charges	XXX	3,954.00	3,954.00	3,954.00	0	100
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	55,500.00	xxx	55,500.00	53,200.00	2,300.00	96
Repairs, maintenance and improvements	xxx	xxx	xxx	xxx	xxx	X
Local transport / travelling	10,000.00	xxx	10,000.00	10,000.00	0	100
Electricity, water and conservancy	228,259.60	xxx	228,259.60	303,500	0	100
KCSE REPEATERS	19,800.00	XX	19,800.00	19,800.00	-11,911.50	100.
Administration costs	263,500.00	xxx	263,500.00	332,103.00	-379,220.00	243
Activity	xxx	xxx	xxx	xxx	-7,252.60	202
Gratuity	xxx	xxx	Xxx	xxx	xxx	x
Lunch programme	xxx	xxx	Xxx	xxx	xxx	x
Boarding Equipment and Stores	2,777,353.00	xxx	2,777,353.00	2,928,716.00	0	100
Expenditure for Income Generating Activity	xxx	xxx	Xxx	xxx	xxx	x
Infrastructure funds/CDF perimeter wall	277,380.00	xxx	277,380.00	276,720.00	5,800,000.00	-100
Other expenses on investments	xxx	xxx	Xxx	xxx	xxx	x
Dishonoured cheque	xxx	xxx	Xxx	xxx	xxx	x
Bank Charges	XXX	6,755.00	6,755.00	6,755.00	0	
Loan Interest Repayment	xxx	xxx	Xxx	xxx	xxx	x
Loan Principal Repayment	xxx	xxx	Xxx	xxx	xxx	x
Acquisition of Assets	xxx	xxx	Xxx	xxx	xxx	x
TOTALS	27,353,303.20	13,535.00	27,366,838.20	22,337,291.10	5,259,547.80	82

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

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 of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

NGALA SECONDARY SCHOOL FOR THE DEAF))
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	xxx	xxx
Exercise books	251,000.00	190,000.00
Laboratory equipment	156,000.00	120,000.00
Internal exams	163,426.00	90,000.00
Teaching / learning materials	331,502.00	33,904.75
Chalks	30,000.00	26,000.00
SNE GRANTS	xxx	xxx
Teachers guides	xxx	xxx
Total	931,928.00	459,904.75

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,553,415.70	916,716.00
Repairs and maintenance	xxx	xxx
Local transport / travelling	25,000.00	22,557.00
Electricity and water	700,000.00	222,557.00
Insurance/Medical	45,000.00	xxx
Administration costs	762,367.00	454,435.00
Activity	125,000.00	xxx
Total	4,210,782.70	1,616,265.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	55,000.00	xxx
Boarding equipment and stores	4,166,703.00	1,690,906.00
Local transport / travelling	10,000.00	1,000.00
Electricity and water	353,860.00	xxx
Medical	xxx	10,000.00
Administration costs	456,830.00	141,000.00
SNE GRANTS	xxx	xxx
Total	5,042,393.00	1,842,906.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	Xxx	xxx
Rent income	Xxx	xxx
Income from farming activities	Xxx	xxx
Insurance compensation	Xxx	xxx
Income from Posho mill	Xxx	xxx
Income from Bus Hire	Xxx	xxx
Fee for hire of ground and equipment	Xxx	xxx
Infrastructure funds	5,560,000.00	203,000.00
KCSE Repeaters	19,800.00	xxx
Dividends income	xxx	xxx
Total	5,579,800.00	203,000.00

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

5 PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	xxx	xxx
Exercise books	232,000.00	xxx
Laboratory equipment	138,523.00	130,955.00
Internal exams	xxx	xxx
Teaching / learning materials	313,827.00	101,227.00
Chalks	24,820.00	25,107.00
Exams and assessment	150,000.00	126,362.00
SNE GRANTS	xxx	xxx
Administration Costs	xxx	xxx
Bank Charges	2,826.00	1,368.00
Total	861,996.00	385,019.00

NGALA SECONDARY SCHOOL FOR THE DEAF))
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,506,424.90	915,799.00
Service Gratuity	xxx	xxx
Administration Cost	1,232,295.10	576,497.00
Repairs and maintenance & improvements	xxx	xxx
Local transport / travelling	25,000.00	22,557.00
Electricity and water	682,945.00	196,772.00
Medical/	45,000.00	xxx
Activity Expenses	121,244.00	xxx
SNE GRANTS	xxx	xxx
Insurance Cost	xxx	xxx
Bank Charges	3,954.00	1,860.00
Acquisition of Assets	xxx	xxx
TOTAL	4,616,863.00	1,713,485.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	53,200.00	xxx
Boarding Equipment and stores		1,410,056.00
Infrastructure Funds	xxx	2,797,874.35
Local transport / travelling	10,000.00	1,000.00
Electricity and water	303,500.00	xxx
KCSE Repeaters	19,800.00	xxx
Administration costs	332,103.00	110,290.00
Medical	0.00	10,000.00
Bank Charges	6,755.00	4,074.00
Expenses on Income Generating Activities	xxx	xxx
Fee on Boarding Equipment and Stores	2,928,716.00	2,118,899.00
Dishonoured cheque		25,000.00
Insurance Cost (Life Property)	xxx	xxx
Loan Principal repayment	xxx	xxx
Loan Interest repayment/infrastructure	xxx	xxx
Acquisition of Assets	276,620.00	1,172,620.00
TOTAL	3,930,694.00	6,239,757.35

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	1117809145	120,444.95	50,512.75
Operations Account	1117809021	43,094.75	564,175.05
School Fund Account/Boarding	1115034057	480,826.00	106,043.00
Savings Account		xxx	xxx
Parent Association Development Account/CDF	0297724336	760.00	277,380
Income generating activities Account		xxx	xxx
Infrastructural Account	1124605134	5,970,733.65	171,489.65
Total		6,615,85935	1,169,600.45

9 CASH IN HAND

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	xxx	xxx
Operation Account	xxx	xxx
School Fund account	xxx	xxx
Total	Xxx	xxx

10 SHORT TERM INVESTMENTS

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed deposit	xxx	xxx
Equity stock	xxx	xxx
Other investments	xxx	xxx
Total	xxx	xxx

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	76,150.00	86,150.00
Other non-fees receivables	xxx	xxx
Salary advances	xxx	xxx
Imprest	xxx	xxx
Total	76,150.00	86,150.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year		12,800.00
Fees arrears for the previous year	86,150.00	79,350.00
Less recoveries	(10,000.00)	(6,000.00)
Fees arrears for prior periods (over two years)	xxx	xxx
Total	76,150.00	86,150.00

12 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)		289,500.00
Prepaid fees	86,150.00	715,542.00
Retention monies	xxx	xxx
Total	86,150.00	1,005,242.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	xxx	xxx
Trade creditors for the previous year	289,500.00	1,020,157.00
Trade creditors paid	(289,500.00)	(730,657.00)
Total	0	289,500.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	1,169,600.65	5,407,500.50
Cash balances	xxx	xxx
Short Term Investments	xxx	xxx
Receivables	86,150.00	79,350.00
Payables	1,005,242.00	1,020,157.00
Total	250,508.65	4,466,693.50

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Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank loan(s)	xxx	xxx
Outstanding Leases	xxx	xxx
Hire purchase	xxx	xxx
Gratuity and leave provision	xxx	xxx
Total	xxxx	xxx

15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		xxx	xxx
Goats		xxx	xxx
Trees		xxx	xxx
Coffee or tea plantation		xxx	xxx
Poultry		xxx	xxx
Total		xxx	xxx

16 Borrowings

Description	2021-2022	2020-2021
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	xxx	xxx
Borrowings during the year	xxx	xxx
Repayments of during the year	(xxx)	(xxx)
Balance at end of the year	xxx	xxx

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17 Stock/ Inventory

Description	2021-2022	2020-2021
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	xxx	xxx
Stock/ inventory purchased during the year	xxx	xxx
Stock/ inventory issued during the year	(xxx)	(xxx)
Balance at end of the year	xxx	xxx

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

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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 31.12.2022	Outstanding Balance June 2022	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
Sub-Total						
Supply of goods						
2. Menengai Grain millers	489,500		489,500	0	0	Cleared in July 2022
3.						
4.						
5.						
Sub-Total						
Supply of services						
6.	Xx	--	-	-	-	-
7.						
8.						
Sub-Total						
Grand Total				0	0	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1	Balance b/fwd	Ngala Estate	3 acres	nil	nil	3 acres
Land 2				nil		
Buildings and structures	Balance b/fwd	Ngala sec school				
Classess- 6				Nil	Nil	6
Admin Block 2	2		2	Nil	Nil	2
Labs- 1	1		1	Nil	Nil	1
Toilets girls 7	7		7	Nil	Nil	7
Toilets boys 5	5		5	Nil	Nil	5
2 Dormitory (40, 60,) 2	2		2	Nil	Nil	2
Dining hall 1	1		1	Nil	Nil	1
Kitchen 1	1		1	Nil	Nil	1
Stores 1	1		1	Nil	Nil	1
CCTV Cameras	28	N/A Ngala sec school		0	0	28
Office equipment, furniture and fittings		Ngala sec school	552	96		648
ICT Equipment, and Other ICT Assets	37	Ngala sec school		0	0	37
Tools and apparatus/laboratory	3,644	Ngala sec school	3,644	0	0	3,644

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Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Textbooks	2,481	Ngala sec school		100		2,581
Other Machinery and Equipment/						
Heritage and cultural assets	2018	School –store				
Fire extinguishers	13	Ngala sec.	13	0	0	13
Cookers (gas cookers)	2021	Homescience department	6	0		6
Kitchen Utensil's	Bal b/d Asorted 401	kitchen		2	0	403
Intangible assets- soft ware	35	Principals office	35	0	0	35
Water Tanks(3000,5000,10,000 liters)	Bal b/d	School compound	7	0	0	7
Total			4,257	198	0	4,455

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

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