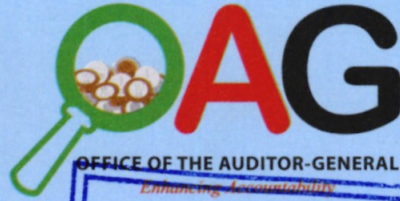


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 JUN 2026

DAY.

Thursday

REPORT

TABLED
BY:

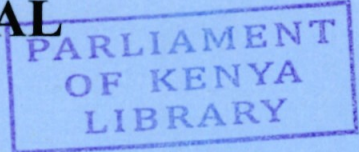
Hon. Samuel Chepkonga
(on behalf of leader of Majority)

CLERK-AT
THE-TABLE:

Lornale

OF

THE AUDITOR-GENERAL



ON

NAKAMI FRIENDS
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

TRANS NZOIA COUNTY



NAKAMI FRIENDS SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Contents

Contents	Page
I. Key School Information and Management	iv
II. Summary Report Of Performance Of The School.....	vii
III. Statement Of School Management Responsibility.....	xi
IV. Statement Of Receipts And Payments Period To 30 th June 2024	1
V. Statement Of Financial Assets And Financial Liabilities As At 30 th June 2024.....	2
VI. Sstatement of Cash Flows for The Period Ended 30 th June 2024	3
VII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2024	5
VIII. Significant Accounting Policies	10
IX. Notes To The Financial Statements.....	12

I. Key School Information and Management**(a) Background information**

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

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

The school is a day/boarding school and had 926 number of students as at 30th June 2024. It has 18 streams and 31 teachers of which 20 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Amos Yiminyi	Chairman/sponsor	07/10/2022
2	Samuel Oriyo	Secretary- Principal	24/01/2024
3	Benard Kwalia	Member	07/10/2022
4	Gabriel Makhino	Member	07/10/2022
5	Eucabeth Obonyo	Member	07/10/2022
6	Carol Kapchanga	Member	07/10/2022
7	Leonard Nasir	Member	07/10/2022
8	Moses Ngania	Member – Rep CEB	07/10/2022
9	Edwin Wanyonyi	Member Rep Teachers	07/10/2022
10	Leany Kasembeli	3 Members - Sponsor	07/10/2022
11	Christopher Masika	Member - Community	07/10/2022
12	Irine N. Barasa	Member Special Needs	07/10/2022
13	Kevin Matumbai	Rep Students	07/10/2022
14	Henry B. Manyorio	Member	07/10/2022
15	Martin Muricho	P.A. Chair	07/10/2022
16	Margaret Sesi	Member	07/10/2022
17	Maryanne Wanyonyi	Sponsor/Member	07/10/2022

Key School Information and Management

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Amos Yiminyi Benard Kwalia Maryanne Wanyonyi Martin Muricho Samuel Oriyo	Chairman Member Member Member Sec.	9
2	Audit Committee	1. Moses N'gania 2. Benard Kwalia 3. Samuel Oriyo	Chairman Member member	2
3	Finance, procurement and general purposes Committee	Margaret Sesi Moses N'gania Martin Muricho	Chair	6
4	Academic Committee	Christopher Masika Mark Borter Martin Muricho	Chairman D.O.S Sec.	10
5	Development Committee	Benard Kwalia Samuel Oriyo Martin Muricho	Chairman Sec Member	4
6	Discipline and welfare Committee	Benard Kwalia Samuel Oriyo Martin Muricho	Chairman Sec Member	4
7	Adhoc Committee (if any during the year)	Tender opening Evaluation/awarding Inspection		2 3 2

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	SAMUEL ORIYO	353319
2	Deputy Principal	LUCIA N. C. MASAI	295247
3	School Bursar	HUDSON BARASA	8659897 -ID

(e) Schools contacts

Post Office Box: 3870
Telephone: 0723157502
E-mail: nakamisecondary49@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

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

1. Name of Bank: National
Branch: Kitale
Account Number: 7700131066 Operational account
7700456704 Tuition Account
2. Name of Bank KCB
Branch Kitale
Account Number: 1159774269 School Fund and other Monies
Account Number: 1253891486 Infrastructure Account
3. Name of Bank: Sidian
Branch: Kitale.
Account Number: 01026030001744 CDF account

4. MPESA PayBill No. 522123 attached to 1159774269 bank account

2. Independent Auditors

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

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

PERIOD	AMOUNT
2023-2024	7,526,839
2022-2023	3,149,688
2021-2022	5,623,685

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

2023-2024	2022-2023	2022-2021
14,724,566	11,893,857	16,206,959

Ratio of capitation grant per student over the last three years

Periods	Grants	Number of students	Ratio
2023-2024	14,518,707	926	1:2
2022-2023	11,893,855	800	1:1
2021-2022	12,497,439	720	1:2

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

PERIOD	AMOUNT
2023-2024	19,230,598
2022-2023	16,835,300
2021-2022	13,966,611

NAKAMI FRIENDS SECONDARY

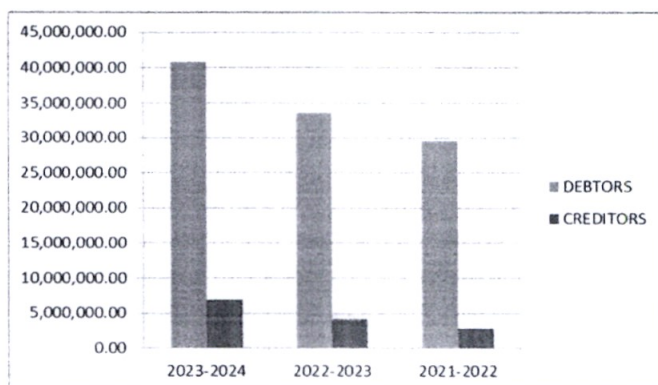
Reports and Financial Statements For the year ended 30th June 2024

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

PERIOD	AMOUNT
2023-2024	32,062,279
2022-2023	27,378,637
2021-2022	24,549,885

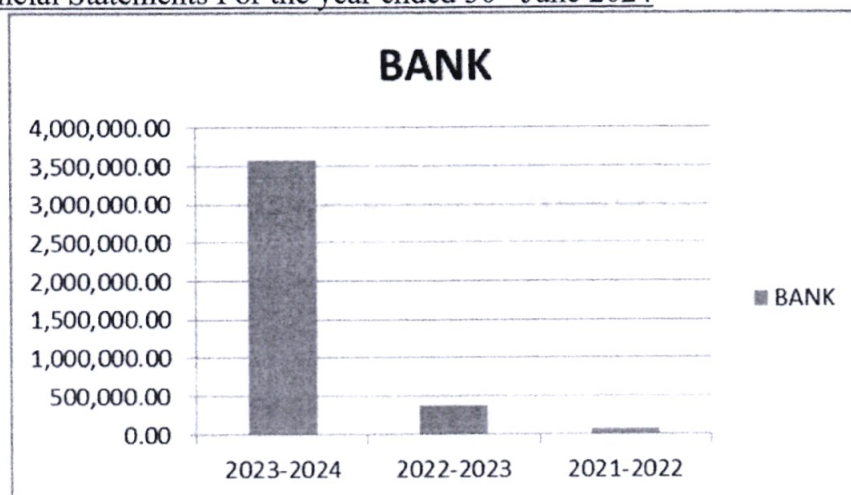
Movement of debtors and creditors of the school over the last three years

PERIOD	DEBTORS	CREDITORS
2023-2024	40,761,406	6,887,823
2022-2023	33,637,736	4,201,705
2021-2022	29,546,313	2,858,927



Movement of cash and bank balances over the last three years

<i>PERIOD</i>	<i>CASH</i>	<i>BANK</i>
2023-2024	-	3,572,729
2022-2023	103,173	380,269
2021-2022	-	82,399



b) Teacher Student ratio:

Period	Number of students	Number of teachers	Ratio	Shortage
2023-2024	926	31	1:30	42
2022-2023	800	31	1:26	22
2021- 2022	720	22	1:33	18

c) Mean score in the 2023 KCSE:

Period	candidates	Higher institutions	Mean score	Set score	Remarks
2023-2024	163	146	4.21	5.1	Improved, not attained
2022-2023	183	121	3.8	5.1	Dropped, not attained
2021-2022	125	106	4.2	5.1	Dropped, not attained

d) Number of Candidates in the 2023 KCSE:

Period	Candidates
2023 - 2024	163
2022-2023	183
2021-2022	125

e) Capacity of the school:

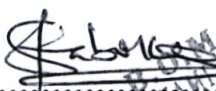
Amenities	Dormitories	Dining hall	Toilets	Laboratory
No. of students	926	926	926	926
No. of amenities	2	1	58	2
Ratio	1:463	1:926	1:16	1:463
Shortage	4	-	-	2

f) Development projects carried out by the school:

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

Projects	Source of Funds	Amount	On Going
CBC Classrooms	Ministry of Education (CBC)	1,576,440	Completed
Girls Latrine	M.O.E. (DAY)	325,430	On going
Plumbing	M.O.E. (DAY)	191,730	completed
Renovation	M.O.E (DAY)	250,810	completed
Lockers/Chairs	M.O.E. (DAY)	954,030	On going
Classrooms	CDF	2,600,000	Completed



 School Principal

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

III. Statement Of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.

K.M

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

[Signature]

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

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

[Signature]

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

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NAKAMI FRIENDS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – TRANS NZOIA COUNTY

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Nakami Friends Secondary School set out on pages 1 to 24, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2024 and the statement of receipts and payments,

Report of the Auditor-General on Nakami Friends Secondary School for the year ended 30 June, 2024 – Trans Nzoia County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nakami Friends Secondary School as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013, and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of Cash Flows

Review of the statement of cashflows revealed the following inaccuracies;

- i. The statement of cash flows reflects cash and cash equivalents balance as at 30 June, 2024 of Kshs.2,418,460 which is at variance with Note 10 to the financial statements and statement of financial assets and financial liabilities balance of Kshs.3,572,729, resulting in an unexplained variance of Kshs.1,154,269.
- ii. The cash and cash equivalents at the beginning of the year of Kshs.483,442 differs from previous financial year 2022/2023 audited financial statements balance of Kshs.450,046, resulting in unreconciled variance of Kshs.33,396.
- iii. The net cash flows from investing activities indicates a comparative amount of Kshs.2,698,236 which differs from previous financial year 2022/2023 audited financial statements amount of Kshs.37,873, resulting in an unreconciled variance of Kshs.2,660,363.
- iv. Acquisition of assets amounting to Kshs.5,902,660 was not supported by payment vouchers and details of acquired assets. Further, the summary of fixed assets register indicates disposals during the year of Kshs.733,540. However, the proceeds from sale of assets had not been included in statement of cash flows, and the supporting documentation for the disposal proceedings and outcome were not provided for audit review.

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

2. Variances in the Statement of Receipts and Payments

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

S/No.	Item	Amount in the Statement of Receipts and Payments (Kshs)	Amount in the Supporting Schedules (Kshs)	Variance (Kshs)
1	Government Grants for Tuition	2,214,188	2,737,339	523,151
2	Government Grants for Operations	7,231,834	15,115,331	7,883,497
3	Government Grants for Infrastructure	7,672,740	1,714,000	5,958,740
4	School Fund Income - Parents Contributions	14,235,910	14,763,870	527,960
5	School Fund Income - Other Receipts	1,235,580	-	1,235,580
6	Payments for Tuition	1,556,216	1,502,100	54,116
7	Payments for Operations	6,618,103	6,917,757	299,654
8	Payments for Boarding and School Fund	15,389,482	13,824,892	1,564,590
9	Payments for Infrastructure	1,188,773	1,794,790	606,017

The above variances were not explained or reconciled.

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

3. Unsupported Accounts Receivables Balance

The statement of financial assets and financial liabilities, and Note 13 to the financial statements reflect accounts receivables balance of Kshs.40,761,406. However, the supporting schedules, ledgers and invoices were not provided for audit review. Further, the disclosure indicates that receivables amounting to Kshs.30,291,044 had been outstanding for more than two (2) years.

Further, there were no ageing analysis and policy on the impairment of long outstanding fees arrears.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.40,761,406 could not be confirmed.

4. Unconfirmed Accounts Payables Balance

The statements of financial assets and financial liabilities reflects accounts payables balance of Kshs.6,560,573 which was at variance with corresponding Note 14 to the financial statements balance of Kshs.6,887,823, resulting in unexplained variance of Kshs.327,250. Further, the supporting schedules provided for audit indicate a balance of Kshs.6,665,823, resulting in an unreconciled variance of Kshs.327,250.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.6,560,573 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Nakami Friends Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other

Report of the Auditor-General on Nakami Friends Secondary School for the year ended 30 June, 2024 – Trans Nzoia County

ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.43,273,540 and Kshs.32,648,097 respectively, resulting to an under-funding of Kshs.10,625,443 or 24% of the budget. Similarly, the school expended Kshs.24,752,574 against actual receipts of Kshs.32,648,097 resulting to under-utilization of Kshs.7,895,523 or 24% of the budget.

Further, the statement reflects total actual expenditure of Kshs.26,866,461 while re-casting of the amounts indicates Kshs.24,752,574, resulting in unexplained variance of Kshs.2,113,887.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the students.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the financial year 2023/2024 for Nakami Friends Secondary School were submitted to Auditor-General on 2 April, 2025. However, the submission was six (6) months later after the set statutory submission deadline of 30 September, 2024. This was contrary to Regulation 101(4) of the Public Finance Management (National Government) Regulations, 2015 which requires an Accounting Officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed by the Public Sector Accounting Standards Board, not later than three months after the end of the financial year and submit them to the Auditor General with a copy to the Controller of Budget and the National Treasury.

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

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

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

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

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

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

3. Failure to Acknowledge Government Grants for Tuition and Operations

The statement of receipts and payments reflects amount of Kshs.2,214,188 and Kshs.7,231,834 for government grants for tuition and operations, respectively. However, the School did not provide individual student signed form-lists showing admission numbers, full names and amounts allocated which were submitted to the County Director of Education (CDE) through the Sub-County Director of Education as stipulated in Ministry of Education Circular Ref. No. MOE.HQS/3/10/vol.II/(32) dated 17 January, 2024.

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

4. Discrepancy in Student Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.2,214,188 and Kshs.7,231,834, and as disclosed in Note 1 and Note 2 to the financial statements, respectively. During the financial year, the National Education Management Information System (NEMIS) reported a total number of nine hundred and three (903) students while the enrolment records provided by the School indicated a total of one thousand, one hundred and twenty-two (1,122) students, resulting in an unexplained variance of two hundred and nineteen (219) students. This was contrary to the Ministry of Education Circular Ref. MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

5. Failure to Prepare a School Improvement Plan

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

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

6. Non-Adherence to Ethnic and Affirmative Action Requirement

Review of the June, 2024 payroll indicate a total of forty-four (44) staff which comprises twenty-two (22) Board of Management (BoM) teachers and twenty-two (22) support staff. However, twenty-two (22) staff or 50% belonged to one ethnic community. This is contrary to Section 7(1) and (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.

Further, no persons with disabilities were employed in the School or accorded employment opportunities. This was contrary to Article 27 of the Constitution of Kenya and Section 21 of the Persons with Disabilities Act, 2025. In addition, there was no documentary evidence of reservation of 30% of procurement opportunities to Youth, Women and Persons with Disabilities, contrary to Articles 10 and 232(1)(h) of the Constitution.

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

7. Non-Compliance with Basic Education Act, 2013

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

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

8. Failure to Prepare Bank Reconciliation Statements

During the year under review, the bank reconciliation statements for the School's four (4) bank accounts were not prepared as required by Regulation 90 of the Public Finance Management (National Government) Regulations, 2015 which requires the accounting officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the National Treasury with a copy to the Auditor-General.

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

9. Failure to Prepare an Annual Procurement Plan

During the year under review, the Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process. Further, Regulation 40(4) states that the consolidated annual procurement plan shall be prepared by the accounting officer of the procuring

entity and approved by the Cabinet Secretary, or county executive committee member of finance responsible for that entity or, where applicable, by the board of directors or a similar body.

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

10. Partial Implementation of School Management System

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

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Discrepancies in the Fixed Assets Register

Annex 2 to the financial statements in respect to summary of fixed assets register indicates an opening balance of Kshs.69,067,005. However, the amount differs from the balance of Kshs.71,924,625 indicated in previous year 2022/2023 audited financial statements resulting in an unreconciled variance of Kshs.2,857,620.

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

2. Lack of Land Ownership Documents

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

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

3. Lack of Policy on Fees Collection in Cash

The statement of receipts and payments and Note 3 to the financial statements reflects School fund income-parents contributions amount of Kshs.14,235,910. The amount includes collections of Kshs.1,442,155 direct cash receipts in the School. However, there was no documented policy or procedure outlining how cash collected was safeguarded, banked, and independently verified. Further, daily cash summaries were not prepared.

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

4. Incomplete School Records

Review of school information systems and manual fees ledgers indicated that key information such as fees chargeable per term, amount outstanding previously, amount paid and corresponding prepayments and receivables were not recorded.

In the circumstances, the effectiveness of maintenance of financial records could not be confirmed.

5. Lack of Policy Documents

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

In the circumstances, the effectiveness of the internal controls could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 April, 2026

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

IV. Statement Of Receipts And Payments Period To 30th June 2024

Description Of Vote Head	Note	30 th June 2024	30 th June 2023
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,214,188	2,198,492
Capitation grants for operations	2	7,231,834	6,060,364
Capitation grants for Infrastructure	3	7,672,740	3,641,000
School fund income- parents' contributions	4	14,235,910	13,270,313
School fund income- other receipts	5	1,235,580	3,227,095
Total Receipts		32,590,252	28,397,264
Payments			
Payments for tuition	6	1,556,216	2,143,460
Payments for operations	7	6,618,103	6,743,696
Payments for Infrastructure	8	1,188,773	2,660,363
Boarding and school fund payments	9	15,389,482	14,518,279
Total Payments		24,752,574	26,065,798
Surplus/Deficit		7,837,678	2,331,466

The school financial statements were approved on 30th June 2024 and signed by:

.....
K.M

Name: Kibugi mukonambi

Chair BOM

Date: 13/4/2026

.....
F. Abou

Name: Oyo S
School Principal/ Secretary to
BOM

Date: 13/4/2026

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

.....
S

Name: Maryna Simitu

Bursar/ Finance Officer

Date: 13/4/2026

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

V. Statement Of Financial Assets And Financial Liabilities As At 30th June 2024

Description	Note	30 th June 2024	30 th June 2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	3,572,726	396,677
Cash balances	9	-	103,173
Short term investment	10		
Total cash and cash equivalent		3,572,726	499,850
Account's receivables	11	40,761,406	33,637,736
Total financial assets		44,334,132	34,137,586
Financial liabilities			
Accounts payables	12	(6,560,573)	(4,201,705)
Net financial assets		37,773,559	29,935,881
Represented by			
Accumulated fund b/fwd	13	29,935,881	26,769,785
Surplus/deficit for the year		7,837,678	3,166,096
Net financial position		37,773,559	29,935,881

The school's financial statements were approved on 30th June 2024 and signed by:

.....
 Name: Kituti Mukongambi
 Chair BOM
 Date: 13/4/2026

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

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

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

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

VI. Statement of Cash Flows for The Period Ended 30th June 2024

Description	Notes	30 th June 2024	30 th June 2023
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	2,214,188	2,198,492
Capitation grants for operations	2	7,231,834	6,060,364
Capitation grant for infrastructure	3	7,672,740	3,241,000
School fund income- parents contributions/ fees	4	14,235,910	13,270,313
School fund income- other receipts	5	1,235,580	1,146,995
Total receipts		32,590,252	25,917,164
Payments			
Payments for tuition	6	1,556,216	2,143,460
Payments for operations	7	6,618,103	6,743,696
Infrastructure	8	1,188,773	
Boarding and school fund payments	9	15,389,482	14,518,027
Total payments		24,752,574	23,405,183
Net cash flow from operating activities		7,837,678	2,511,981
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets		(5,902,660)	(2,698,236)
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities		(5,902,660)	(2,698,236)
Cashflow from borrowing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
Net increase in cash and cash equivalents		1,935,018	2,474,108
Cash and cash equivalent at beginning of the year		483,442	161,853
Cash and cash equivalent at end of the year		2,418,460	450,046

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

Report Of The Independent Auditor

NAKAMI FRIENDS SECONDARY
Reports and Financial Statements For the year ended 30th June 2024

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
(1) Capitation Grant on Tuition						
Textbooks And Reference Materials						
Exercise Books	682,500		682,500	464,956	217,544	68%
Laboratory Equipment	780,000		780,000	531,378	248,622	68%
Internal Exams	617,500		617,500	420,674	196,826	68%
Teaching / Learning Materials	975,000		975,000	664,281	310,719	68%
Chalks						
Exams And Assessment						
Teachers Guides	195,000		195,000	132,844	62,156	68%
Totals	3,250,000		3,250,000	2,214,188	1,035,867	68%
(2) Capitation Grant on Operations						
Personnel Emoluments						
Repairs And Maintenance						
Local Transport / Travelling						
Other Voteheads	9,400,000		9,400,000	5,800,720	9,599,280	37%
Medical	600,000		600,000	717,525	(117,525)	119%
Activity	800,000		800,000	713,590	86,410	89%
Totals	10,800,000		10,800,000	7,231,834	3,568,166	49%

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

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
3) FDSE for infrastructure						
Maintenance & improvement Moe	5,000,000		5,000,000	3,496,300	1,503,700	43%
M&I parents contribution						
Economic stimulus programs						
Transition infrastructure grants						
CBC classroom	1,576,440		1,576,440	1,576,440	0	100%
CDF classroom	2,600,000		2,600,000	2,600,000	0	100%
Total	9,176,440		9,176,440	7,672,740		84%
(4) Fees Charged on Parents						
Personnel Emoluments						
Repairs And Maintenance	400,000		400,000	382,170	17,830	96%
Local Transport / Travelling						
Kcse fees	26,100		26,100	26,100	0	100%
Other Voteheads	2,580,000		2,580,000	957,882	1,622,118	37%
Exam fees	84,000		84,000	84,000	0	100%
Activity	50,000		50,000	48,955	1,045	97%
Smasse						
Fee On Boarding Equipment and Stores	15,307,000		15,307,000	12,132,325	3,174,675	79%
Totals	18,447,100		18,447,100	14,235,910	4,815,668	77%
Other Income						
Rent Income						
Income From Farming Activities	800,000		800,000	773,580	26,420	97%

NAKAMI FRIENDS SECONDARY
Reports and Financial Statements For the year ended 30th June 2024

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
Insurance Compensation						
Income From Posho Mill						
Income From Bus Hire	800,000		800,000	462,000	338,000	58%
Fee For Hire of Ground And Equipment						
Totals	1,600,000		1,600,000	1,235,580	364,420	77%
Income From Any Other Investment						
TOTAL INCOME	43,273,540		43,273,540	32,648,097	10,625,443	75%
(1) Expenditure For Tuition						
Textbooks And Reference Materials						
Exercise Books	682,500		682,500	-	682,500	0
Laboratory Equipment	780,000		780,000	-	780,000	0
Internal Exams	617,500		617,500	-	617,500	0
Teaching / Learning Materials	975,000		975,000	418,000	557,000	43%
Creditors	1,138,100			1,138,100	0	100%
Exams And Assessment						
Teachers Guides	195,000		195,000	-	195,000	0
Administration Costs				116		
Bank Charges						
Totals	3,250,000		3,250,000	1,556,216	2,832,000	48%
(2) Expenditure For Operations						
Personnel Emoluments						

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
Repairs, Maintenance & Improvements						
Local Transport / Travelling						
Electricity, Water and Conservancy						
Medical	600,000		600,000	24,745	575,255	4%
Other Voteheads	9,400,000		9,400,000	5,573,756	9,826,244	36%
Activity Expenses	800,000		800,000	416,202	383,798	52%
Creditors				603,400		
Cbc classroom						
Totals	15,800,000		15,800,000	6,618,103	7,605,457	52%
3)expenditure on infrastructure						
Repair&maintenance				1,188,773		
(4) Expenditure For School Fund						
Personnel Emoluments				Bn		
Repairs, Maintenance and Improvements	400,000		400,000	599,055	(199,055)	149%
Local Transport / Travelling						
Electricity, Water and Conservancy						
Other Voteheads	2,580,000		2,580,000	3,554,619	(974,619)	137%
Administration Costs						
Activity	50,000		50,000	217,505	(167,505)	435%
Gratuity						
Lunch Programme						

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

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
Boarding Equipment and Stores	15,307,000		15,307,000	8,848,035	6,458,965	58%
Expenditure For Income Generating Activity-Farm	800,000		800,000	382,090	417,910	48%
Bus Hire	800,000		800,000	742,459	57,541	92%
Creditors				961,720		
Examinations Payment				84,000		
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition Of Assets						
Totals	19,937,000		19,937,000	15,389,482	5,593,237	71%
TOTAL EXPENDITURE	38,987,000		38,987,000	26,866,461	12,120,539	69%

Underutilization of the above budget is due to payment of creditors while overutilization is due to inflation.

The prices of goods went up more than 50% of the budget and we were involved in many games activities which affected our expenditure.

The funds were released towards the end of the financial year which affected the expenditure.

VIII. 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 2024.

IX. Notes To The Financial Statements**1 Capitation Grant for Tuition**

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Textbooks And Reference Materials	132,844	109,925
Exercise Books	464,956	428,636
Laboratory Equipment	531,434	434,636
Internal Exams	420,674	257,819
Teaching / Learning Materials	664,280	857,412
Others(specify)		
Total	2,214,188	2,198,492

2 Capitation Grant for Operations

Description	30th June 2024	30th June 2023
	Kshs	Kshs
Other vote heads	5,800,719	5,160,370
Medical/Insurance	717,525	443,332
Administration costs		
Activity	713,590	456,663
Total	7,231,834	6,060,364

3. Government Grants for infrastructure

Description	30th Jun 2024	30th Jun 2023
	Kshs	Kshs
Maintenance &Improvement	3,496,300	3,641,000
Transition infrastructure grants		
Administration Block		
CBC Classrooms	1,576,440	
CDF Classroom	2,600,000	
Total	7,672,740	3,641,000

4. Parents Contribution/Fees - School Fund Account

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Fee On Boarding Equipment and Stores	12,820,803	11,377,000
Repairs and maintenance	382,170	400,000
Examination Fees		
Electricity and water		
Other vote heads	957,882	2,580,000
Kcse fees	26,100	
Activity	48,955	50,000
Total	14,235,910	14,407,000

5. Other Receipts – School Fund Account

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Rent Income		
Income From Farming Activities	773,580	757,460
Income From Posho Mill		
Income From Bus Hire	462,000	389,535
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Total	1,235,580	1,146,995

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

6. Payments For Tuition

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Textbooks And Reference Materials		261,060
Exercise Books	-	122,000
Laboratory Equipment		518,390
Internal Exams		281,500
Teaching / Learning Materials	418,000	960,510
Chalks		
Exams And Assessment		
creditors	1,138,100	
Administration Costs		
Bank Charges	116	
Total	1,556,216	2,143,460

7. Payments For Operations

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity	-	
CBC classroom		
Local Transport / Travelling		
creditors	603,400	
Medical	24,745	55,465
Activity Expenses	416,202	591,720
Other vote heads	5,573,756	6,096,511
CDF Classrooms		
Bank Charges		
Acquisition Of Assets		
Total	6,618,103	6,743,696

NAKAMI FRIENDS SECONDARY

Reports and Financial Statements For the year ended 30th June 2024

8. Infrastructure

Description	30 th Jun 2024	30 th Jun 2023
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory-renovation	767,970	
Construction of Dormitory		
Purchase of furniture	420,803	2,698,236
CDF classroom		
Cbc classroom		
Drilling of boreholes		
Others (Modern latrine)		
Charges		
Total	1,188,773	2,698,236

9. Boarding And School Fund Payments

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Personnel Emoluments		
Others vote heads	3,554,618	2,358,247
Repairs And Maintenance & Improvements	599,055	440,657
Local Transport / Travelling		
Electricity And Water		
Activity	217,505	69,513
Administration Costs		
Examination Payments	84,000	159,100
Bank Charges		
Expenses On Income Generating Activities		
Fee On Boarding Equipment and Stores	8,848,035	10,673,537
Rent Expenses		
Insurance Cost (<i>Life Property</i>)		
Hire of School Bus	742,459	595,243
School Farm	382,090	381,082
Creditors	961,720	
Total	15,389,482	15,607,000

10. Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	30 th June 2024	30 th June 2023
		Kshs	Kshs
Tuition Account	7700456704	712,976	1,690
Operations Account	7700131066	2,694,405	298,372
School Fund Account/Boarding	1159774269	162,592	80,585
Savings Account			
Parent Association Development Account			
Income Generating Activities Account			
Infrastructural Account	1253891486	2,756	16,030
Total		3,572,729	396,677

11. Cash In Hand

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Tuition Account	-	
Operation Account	-	
School Fund account	-	103,173
Total		103,173

12. Short Term Investments

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit		
Equity Stock		
Other Investments		
Total		

13. Accounts Receivable

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Fees Arrears	40,761,406.00	33,637,736
Other Non-Fees Receivables		
Salary Advances		
Imprest		
Total	40,761,406	33,637,736

13 b Ageing Analysis of Accounts Receivable

Description	30 th Jun 2024		30 th Jun 2023	
	Kshs		Kshs	
				% of the total
Less than 1 year	7,123,670	17%	5,809,689	17%
Between 1- 2 years	3,346,692	8%	5,685,015	16%
Between 2-3 years	2,547,471	6%	1,239,312	5%
Over 3 years	27,743,573	68%	20,903,720	62%
Total (should tie to note 13 a)	40,761,406	100%	33,637,736	100%

14. Accounts Payable

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	6,560,573	3,968,174
Prepaid Fees	327,250	233,531
Retention Monies		
Total	6,887,823	4,201,705

14a. Ageing Analysis of Accounts Payable

Description	30 th Jun 2024		30 th Jun 2023	
	Kshs		Kshs	
	Current 2024	% Of The Total	Comparative 2023	% Of The Total
Less than 1 year	5,295,619	80%	3,968,174	100%
Between 1- 2 years	1,264,954	20%		
Between 2-3 years	-			
Over 3 years	-			
Total (should tie to note 14)	6,560,573	100%	3,968,174	100%

15. Fund Balance Brought Forward

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Bank Balances	3,572,726	396,677
Cash Balances		103,173
Short Term Investments		
Receivables	40,761,406	33,637,736
Payables	(6,560,573)	(4,201,705)
Total	37,773,559	29,935,881

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.

16. Non-current Liabilities Summary

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
Bank Loan(S)		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Total		

17. Biological assets

Description	Numbers	30 th June 2024	30 th June 2023
		Kshs	Kshs
Cattle		6	800,000
Goats			
Trees		300	2,500,000
Coffee Or Tea Plantation			
Poultry			
Total		306	3,300,000

18. Borrowings

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
Balance at end of the year		

ther important disclosure notes

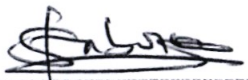
19. Stock/ Inventory

Description	30 th June 2024	30 th June 2023
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	582,250	
Stock/ inventory purchased during the year	11,307,869	
Stock/ inventory issued during the year	11,061,939	
Balance at end of the year	828,180	

NAKAMI FRIENDS SECONDARY
Reports and Financial Statements For the year ended 30th June 2024
20. Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

13-4-24
B.O.M. SECRETARY
NAKAMI FRIENDS SEC. SCHOOL
P.O. Box 3870 - 30200, KITALE
DATE:.....SIGN:.....

NAKAMI FRIENDS SECONDARY
Reports and Financial Statements For the year ended 30th June 2024

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 30 th Jun2024	Outstanding Balance 1 st July2023	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Solida Hardware& Agrovat	547,430	01/07/2023	325,430	222,000	-	
2.						
3.						
Sub-Total	547,430		325,430	222,000		
Supply Of Goods						
4. Nashotech, Diligent,waki, and lisa paper works	1,917,660	01/07/2023	1,093,317	824,343	556,438	
5. Skullab Enterprise	1,809,686	01/07/2023	150,000	1,659,686	846,826	
6. Daniel, jada pest, Rocky and Dragon, Lakeside	21,983,818	2022-20	19,537,212	2,446,606	681,615	
Sub-Total	25,711,164		20,780,529	4,930,635	2,084,879	
Supply Of Services						
7. Bom workers, Kinya,	11,113,007	01/07/2023	9,431,819	1,681,188	1,383,196	
8. Jetlink Educational	25,000	2023	11,000	14,000	25,000	
9. Tobias Ochieng	120,000	2023	80,000	40,000	708,630	
Sub-Total	11,258,007		9,522,819	1,735,188	2,116,826	
Grand Total	37,516,601		30,628,778	6,887,823	4,201,705	

NAKAMI FRIENDS SECONDARY
Reports and Financial Statements For the year ended 30th June 2024

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land 1	1985	KINYORO	14,400,000	-	-	14,400,000
Land 2	1995	KINYORO	21,600,000	-	-	21,600,000
Buildings And Structures	1984	KINYORO	13,330,436	4,176,440	-	17,506,876
Motor Vehicles	2016	KINYORO	6,000,000	-	-	6,000,000
Office Equipment, Furniture And Fittings			3,672,657	1,068,090	723,540.00	4,017,207
ICT Equipment, And Other ICT Assets	2018		2,125,377		-	2,125,377
Tools And Apparatus			2,132,435	621,000	10,000.00	2,743,435
Textbooks			5,806,100	37,130	-	5,843,230
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
Total			69,067,005	5,902,660	733,540	74,236,125