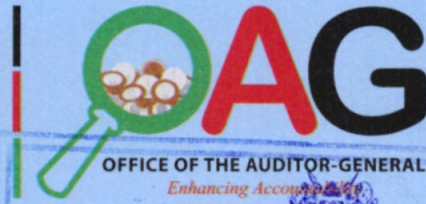


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL <i>Enhancing Accountability</i>	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 09 JUN 2026	DAY: Tuesday
TABLED BY: Hon. Njiru Wago	
CLERK-AT-THE-TABLE: Mchaw	

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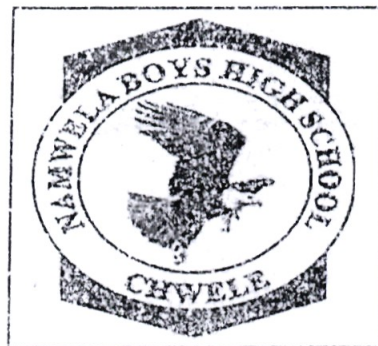
**ON**

**NAMWELA SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2023**

**BUNGOMA COUNTY**





**NAMWELA SECONDARY SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2023**

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

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### Acronyms and Glossary of Terms

*Provide a list of all applicable acronyms and glossary of terms e.g.*

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
PA	Parent representative

**Key School Information and Management**

**(a) Background information**

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

The school was registered in 1965 under registration number and is currently categorized as a county public school established, owned or operated by the Government.

The school is a boarding school and had 961 number of students as at 30<sup>th</sup> June 2023. It has 5 streams and 42 teachers of which 23 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	Eng. Richard Sitati	Chairman	23/5/2022
2	Mr. Stephen Mutaki	Secretary - Principal	19/4/2023
3	Mdm. Joan Nyongesa	P.A Member	23/5/2022
4	Mrs. Florence Khwaka	Member	23/5/2022
5	Mr. Dennis Kulabusia	Member	23/5/2022
6	Mdm. Nancy Wafula	Member	23/5/2022
7	Mdm. Audrey Matere	Member	23/5/2022
8	Dr. Patrick Koi	Member – Rep CEB	23/5/2022
9	Mr. Shadrack Sifuna	Member Rep Teachers	8/5/2023
10	Caleb Simiyu	Member - Sponer	23/5/2022
11	Mdm Juliet Wasike	Member sponsor	23/5/2022
12	Mdm Mary Mumelo	Member -sponsor	23/5/2022
13	Mr. Gelas Wamayengo	Member - Community	23/5/2022
14	Mr. Peter Changalwa	Member Special Needs	23/5/2022
15	Joha sande	Rep Students	23/5/2022

**The functions of the School Board of Management are to:**

- Promote the best interests of the school and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 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**

Sl. No.	Name of Committee	Names of Members	Responsibilities	Number of meetings held during the year
1	Executive Committee	1. Eng. Richard Sitati 2. Mr. Stephen Mutaki 3. Mdm. Joan Nyongesa 4. Mdm. Juliet Wasike 5. Mdm. Mary Mumelo 6. Dr. Patrick Koi	BOM chair Principal P.A Chair Member Member Member	3
2	Audit Committee	1. Mdm. Florence kwakha 2. Mr. Dennis Kulabusia 3. Mdm. Joan Nyongesa 4. Mr. Caleb Kishombe 5. Mr. Stephen Mutaki	Chairperson    Secretary	-
3	Finance, procurement and general purposes Committee	Mdm. Florence kwakha 2. Mr. Dennis Kulabusia 3. Mdm. Joan Nyongesa 4. Mr. Caleb Kishombe 5. Mr. Stephen Mutaki		-

4	Academic Committee	1.Mdm. Nancy Wafula 2.Dr. Audrey Matere 3.Mr.Dennis Kilabusia 4.Mdm. Joan Nyongesa 5.Mr. Godfrey Wanyonyi 6.Mr. Shadrack Nyongesa	Chairperson  Secretary	-
5	Development Committee	1.Eng.Richard Sitati 2.Mr.Stephen Mutaki 3.Mr.Shadrack Nyongesa 4.Mr Gelas Wamanyengo Mdm.Joan Nyongesa	Secretary Chairperson	-
6	Discipline and welfare Committee	1.Mr.Patrick Koi 2.Mdm Joan Nyongesa 3.Godfrey Wanyonyi 4.Mdm.Mary Mumelo 5.Stephen Mutaki	Chairperson  Secretary	3
7	Adhoc Committee (if any during the year)			-

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2023 the school day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr. Stephen Mutaki	TSC No. 323302
2	Deputy Principal	Mr. Shadrack Nyongesa	TSC No. 272155
3	School Bursar	Mdm. Everlyne Wanambisi	ICPAK No.
4	Other (specify)		

**(e) Schools contacts**

Post Office Box: 48, CHWELE  
 Telephone: 0722290033  
 E-mail: namwelaboys2017@gmail.com  
 Website:  
 Facebook:  
 Twitter:

**(f) School Bankers**

Provide details of the school bankers.

Name of Bank: co-operative bank  
 Branch: Bungoma  
 Postal Address.

Name of Bank: KCB Bank  
 Branch: Bungoma  
 Postal Address.

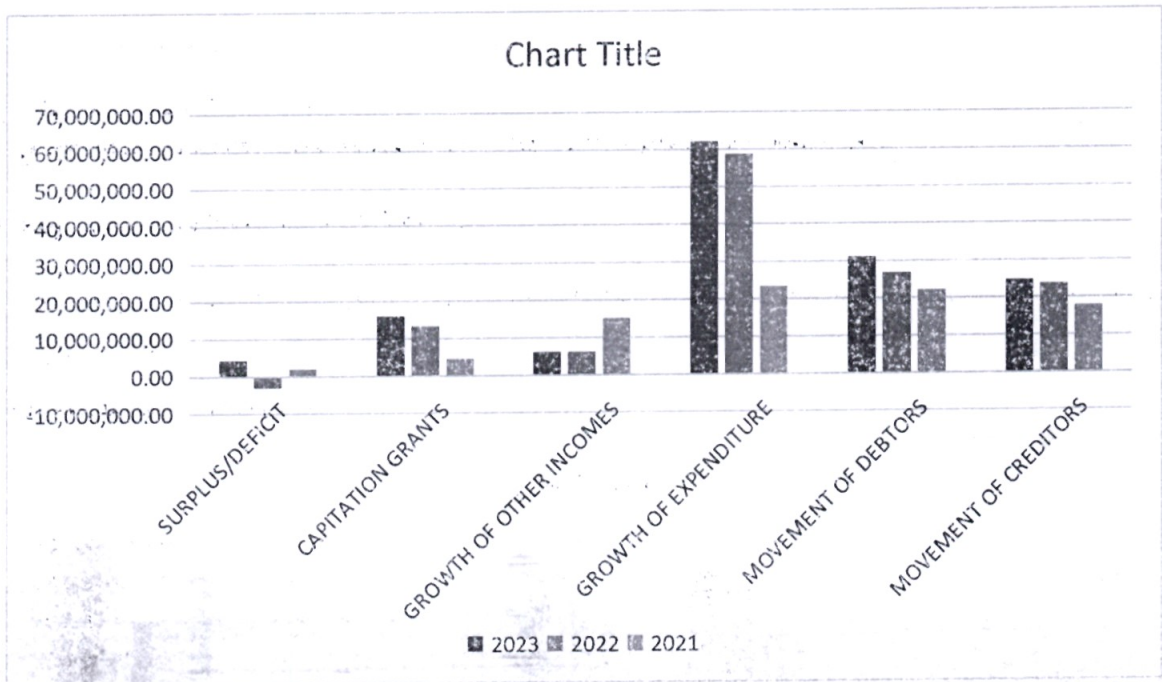
**(g) Independent Auditors**

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

**Summary Report of Performance of The School**

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

**a) Financial performance:**



**b) Teacher Student ratio:**

Teacher student ratio 62:1

Teacher recruited during the year 1

Teachers transferred during the year 5

Teachers employed by TSC 19

Teachers employed by BOM 23

**c) Mean score in the 2022 KCSE:**

Year	KCSE Score	Mean	University Entry	Comment
2022	5.1689	51		An improvement by +0.228
2021	4.9409	63		Decline in performance by -0.4395
2020	5.3804	51		

d) Number of Candidates in the 2022 KCSE:

YEAR	No. of Candidates
2022	229
2021	237
2020	163

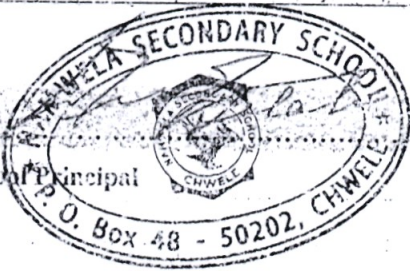
e) Capacity of the school:

i). The school has a student to facility ratio of;

- 42 students per classrooms. There are approximately 1000 students attending the school
- Dormitory ratio of 40 students per dormitory, with 1000 students a dormitory hosts 60 students. The school faces challenges in accommodating students.
- With 1000 students the school has a smaller dining hall which can accommodate 600 students and a laboratory which can accommodate only 20 students at a time
- 36 students per toilet which above the minimum standards of latrine to student ratio of 30

f) Development projects carried out by the school:

Projects	Number of groups	Start	Number of staff	Number of students	Amount
None					


  
 School Principal

**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 Namwela Secondary school accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.

*[Signature]*  
Name: *Richard Sindi*  
Designation: Chairman, School Board of Management

Date: *20/11/23*

*[Signature]*  
Name: *Stephen Mutahi*  
Designation: School Principal and Secretary, Board of Management

Date: *20/11/23*



*[Signature]*  
Name: *Everlyne Wambisi*  
Designation: Bursar/ Finance Officer

Date: *20/11/23*

# 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 NAMWELA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - BUNGOMA 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 Namwela Secondary School - Bungoma County set out on pages 1 to 21, which comprise of the statement of

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*Report of the Auditor-General on Namwela Secondary School for the year ended 30 June, 2023 - Bungoma County*

assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Namwela Secondary School-Bungoma County as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Inaccuracy of Financial Statements**

#### **1.1. Inaccuracy of Comparative Balances**

The statement of assets and liabilities reflects comparative balances as at 30 June, 2022 in respect of accounts receivables and accounts payables of Kshs.15,226,815 and Kshs.16,261,019, respectively. However, audited financial statements for the year ended 30 June, 2022 reflect accounts receivables and accounts payables balances of Kshs.15,222,315 and Kshs.16,606,992 respectively, resulting to unexplained variances of Kshs.4,500 and Kshs.345,873, respectively.

Further, the Notes to the financial statements reflect comparative amounts which differ with the amounts reflected in the prior year audited financial statements for the year ended 30 June, 2022 as shown in the table below:

<b>Note</b>	<b>Details</b>	<b>Amount as per 2022/2023 Financial Statements (Kshs.)</b>	<b>Amount as per Audited 2021/2022 Financial Statements (Kshs.)</b>	<b>Variance (Kshs.)</b>
2	Government Grants for infrastructure income - Maintenance and Improvement	3,407,000	3,432,000	25,000
7	Operations expenditure - repair, maintenance and improvement	33,180	0	33,180

Note	Details	Amount as per 2022/2023 Financial Statements (Kshs.)	Amount as per Audited 2021/2022 Financial Statements (Kshs.)	Variance (Kshs.)
8	Infrastructure expenditure - Bank Charges	4,842	0	4,842
9	Boarding and school fund expenditure – insurance cost	400,000	200,000	200,000
13	Accounts Receivable - Salary Advances	17,990	13,490	4,500

In the circumstances, the accuracy and completeness of the respective comparative balances could not be confirmed.

### 1.2. The Statement of Cash Flows

The statement of cash flows reflects total payments of Kshs.65,478,374. However, recasting of the amount showed Kshs.65,628,374, resulting to unexplained variance of Kshs.150,000.

In the circumstances, the accuracy and completeness of total payments of Kshs.65,478,374 could not be confirmed.

### 1.3. The Statement of Assets and Liabilities

The statement of assets and liabilities reflects net financial assets balance Kshs.11,369,595. However, the statement reflects net financial position balance of Kshs.2,175,439, resulting to unexplained variance of Kshs.9,194,156.

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

## 2. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.27,507,220 as disclosed in Note 13 to the financial statements, which includes fees arrears balance of Kshs.27,329,038. The balance includes fees arrears amounting to Kshs.11,202,845 that had been outstanding for a period of more than one (1) year without clear strategy to ensure recovery of the same. Additionally, there was no policy on the impairment of long outstanding accounts receivables casting doubt on the fair statement of accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of accounts receivables balance of Kshs. 27,507,220 could not be confirmed.

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

The statement of assets and liabilities reflects accounts payables balance of Kshs.18,313,064 as disclosed in Note 14 to the financial statements. However, Annex 1 to the financial statements in respect of analysis of pending accounts payables reflects a balance of Kshs.7,740,943 resulting to unexplained variance of Kshs.7,486,060. Further, Note 14a to the financial statements in respect to ageing analysis of accounts payables reflects accounts payables balance of Kshs.16,410,928, resulting to unexplained variance of Kshs.1,902,136.

In the circumstances, the accuracy and completeness accounts payables balance of Kshs.18,313,064 could not be confirmed.

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

The statement of receipts and payments reflects Government grants for operations amounting to Kshs.15,979,554 as disclosed in Note 2 to the financial statements. However, verification of the bank statements revealed that the actual amount received in respect of Government grants for operations was Kshs. 13,035,355, resulting to unexplained variance of Kshs. 2,944,199.

In the circumstances, the accuracy and completeness of the Government grants for operations amounting to Kshs. 15,979,554 could not be confirmed.

### **5. Unconfirmed Government Grants for Infrastructure**

The statement of receipts and payments reflects Government grants for infrastructure amounting to Kshs.5,010,000 as disclosed in Note 3 to the financial statements. However, verification of bank statements revealed that the actual amount received was Kshs.4,071,000, resulting to unexplained variance of Kshs.939,000.

In the circumstances, the accuracy and completeness of Government grants for infrastructure amounting to Kshs.5,010,000 could not be confirmed.

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

## **Key Audit Matters**

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

## **Other Information**

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

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

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of Approved Procurement Plan**

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

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

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

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

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

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

Analysis of the staff list provided for audit revealed that the School had fifty-one (51) employees both in teaching and non-teaching who are serving under the terms of the School's Board of Management. The audit analysis revealed that forty-six (46) or 90% of the staff of the School were from the dominant ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

The statement of receipts and payments reflects Government grants for tuition and Government grants for operations amounts of Kshs.2,976,352 and Kshs.15,979,554 respectively, as disclosed in Notes 1 and Note 2 to the financial statements.

Review of documents provided for audit revealed that the National Education Management Information System (NEMIS) indicated the total number of students of one thousand and eighty-five (1,085) between July to October 2022, one thousand, one hundred and four (1,104) in January 2023 and one thousand and fifty six (1,056) in June 2023 while the enrolment records provided by the School indicated a total number of one thousand and sixty (1,060) students, nine hundred and eighty one (981) students and nine hundred and thirty five (935) students respectively, in the same period resulting in variances of twenty five (25) students, one hundred and twenty three (123) students and one hundred and twenty one (121) students respectively. As a result of the variances, the school was over-funded by an amount of Kshs.1,143,655.

In the circumstances, the over-funding of the School may have affected service delivery to the public in other schools.

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

During the year under review, Management submitted the financial statements to the Auditor-General for audit on 30 September, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to Section 68(2)(k) of the Public Finance Management Act, 2012 which states that the Accounting Officer of a National Government entity should prepare annual financial statements for each financial year within three months after the end of the financial year, and submit them to the Controller of Budget and the Auditor-General for audit, and in the case of a National Government entity, forward a copy to the National Treasury.

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

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

During the year under review, Management did not maintain an imprest register detailing the name of applicant, amount applied, due date, date of surrender and any outstanding balances in accordance with Regulation 93(4)(b) and (c) of the Public Finance Management (National Government) Regulations 2015 which states that before issuing temporary imprests, the Accounting Officer shall ensure that the applicant has no outstanding imprests and that the applicant has been recorded in the imprest register including the amount applied for.

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

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

The statement of financial assets and liabilities and Note 14 to the financial statements reflect accounts payables balance of Kshs.18,313,064. However, the balance includes trade payables amounting to Kshs.8,669,985 which had been outstanding for more one (1) year. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that debt service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

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

Review of the financial statements prepared and presented for audit revealed that although financial statements' amounts have been referenced to the Notes to the financial statements, the Notes have not been numbered as required by the reporting template prescribed by the Public Sector Accounting Standards Board.

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

## **9. Irregular Utilization of Infrastructure Funds**

The statement of receipts and payments reflects Government grants for infrastructure amounting to Kshs.5,010,000 as disclosed in Note 3 to the financial statements. Verification of the bank statements revealed that Management transferred a total of Ksh.2,141,000 from the infrastructure fund account to the School fund account and subsequently utilized the funds on recurrent expenditure. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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

### **Responsibilities of the Management and those charged with Governance**

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48

of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

17 April, 2026

Statement Of Receipts and Payments For the Year Ended 30<sup>th</sup> June 2023

Particulars	2022/2023	2021/2022
<b>Receipts</b>		
Government grants for tuition	1 2,976,352.00	2,492,548.60
Government grants for operations	2 15,979,553.65	12,135,560.80
Government Grants for infrastructure	3 5,010,000.00	-
School fund income- parents' contributions	4 39,759,901.00	19,813,572.00
Miscellaneous incomes	5 3,731,863.00	22,700,268.00
<b>Total Receipts</b>	<b>67,457,669.65</b>	<b>57,141,949.40</b>
<b>Payments</b>		
Tuition	6 2,833,680.00	2,679,195.00
Operations	7 16,001,044.00	12,445,772.00
Infrastructure	8 3,461,375.00	0
Boarding and school fund	9 43,182,275.00	43,257,648.00
<b>Total Payments</b>	<b>65,478,374.00</b>	<b>58,382,615.00</b>
<b>Surplus/Deficit</b>	<b>1,979,295.65</b>	<b>(1,240,665.60)</b>

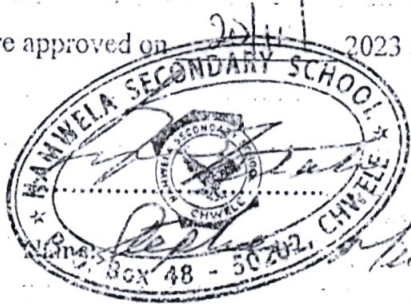
The school financial statements were approved on 20/11/2023 and signed by:

*[Signature]*

Name: Richard Satchi

Chair BOM

Date: 25/11/2023



School Principal/ Secretary to BOM

Date: 20/11/2023

*[Signature]*

Name: Emlynie Wanjambisi

Bursar/ Finance Officer

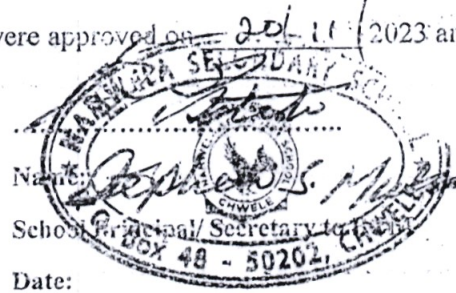
Date: 20/11/2023

Statement of Assets and Liabilities As At 30<sup>th</sup> June 2023

		2022	2023
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	2,172,538.82	195,734.17
Cash balances	11	2,900.00	409.00
Short term investments	12	0	0
<b>Total cash and cash equivalent</b>		<b>2,175,438.82</b>	<b>196,143.17</b>
Accounts receivables	13	27,597,220.00	15,226,815.00
<b>Total financial assets</b>		<b>29,682,658.82</b>	<b>11,422,958.17</b>
<b>Financial liabilities</b>			
Accounts payables	14	(18,313,064.00)	(16,261,019.00)
<b>Net financial assets</b>		<b>11,369,594.82</b>	<b>(838,060.83)</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	196,143.17	1,436,808.77
Surplus/deficit for the year		1,979,295.65	(1,240,665.60)
<b>Net financial position</b>		<b>2,175,438.82</b>	<b>196,143.77</b>

The school's financial statements were approved on 20/11/2023 and signed by:

*Richard Sitati*  
 Name: Richard Sitati  
 Chair BOM  
 Date: 20/11/2023



*Enayuni Wanzambesi*  
 Name: Enayuni Wanzambesi  
 Bursar/ Finance Officer  
 Date: 20/11/2023


Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2023

Description	Note	2022-2023	
		2022	2023
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		2,976,352.00	2,492,548.60
Government grants for operations		15,979,553.65	12,135,560.80
Government grants for infrastructure		5,010,000.00	-
School fund income- parents contributions/ fees		39,759,901.00	19,813,512.00
Other income		3,731,863.00	22,700,268.00
<b>Total receipts</b>		<b>67,457,669.65</b>	<b>57,141,949.40</b>
<b>Payments</b>			
Cash outflows for tuition		2,833,680.00	2,679,195.00
Cash outflows for operations		16,001,044.00	12,445,772.00
Cash outflows Boarding/lunch and school fund payments		43,182,275.00	43,257,648.00
Cashflow from infrastructure		3,611,375.00	
<b>Total payments</b>		<b>65,478,374.00</b>	<b>58,382,615.00</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>1,979,295.65</b>	<b>(1,240,665.60)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets		0	
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
<b>Net cash inflow/outflows from investing activities</b>		<b>0</b>	
<b>Cash flow from financing activities</b>			
Proceeds from borrowings/ loans	12	0	
Repayment of principal borrowings			
<b>Net cash inflow/outflow from financing activities</b>		<b>0</b>	
<b>Net increase/decrease in cash and cash equivalents</b>		<b>1,979,295.65</b>	<b>(1,240,665.60)</b>
Cash and cash equivalent at beginning of the FY		196,143.17	1,436,808.77
<b>Cash and cash equivalent at end of the FY</b>		<b>2,175,438.82</b>	<b>196,143.17</b>

NAMWELA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

The school's financial statements were approved on 20/11 2023 and signed by:

  
Name: Richard Seta  
Chair BOM  
Date: 20/11/2023

  
Name: [Signature]  
School Principal/Secretary to BOM  
Box 48 - 5020

Wauambisi  
Name: Eredyni Wauambisi  
Bursar/ Finance Officer  
Date: 20/11/2023



Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2023

	Budgeted Amount	Actual Amount	Budgeted Amount	Actual Amount	% Of Utilization
	2023	2023	2023	2023	2023
<b>Receipts</b>					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials					
Exercise Books	1,742,000.00	0	1,742,000.00	1,260,343.00	72.35
Laboratory Equipment	1161,000.00	0	1,161,000.00	630,171.75	54.28
Internal Exams	1,161,000.00	0	1,161,000.00	315,086.59	27.14
Teaching / Learning Materials	580,000.00	0	580,000.00	770,750.75	132.89
<b>TOTAL</b>			<b>4,644,000.0</b>	<b>2,976,352.00</b>	<b>64.09</b>
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	3,000,000.00	0	3,000,000.00	4,892,399.65	163.08
Local Transport / Travelling	1,630,000.00	0	1,630,000.00	553,081.00	33.93
Electricity And Water	1,640,000.00	0	1,640,000.00	1,447,899.20	88.29
Medical	2,000,000.00	0	2,000,000.00	92,400.00	4.62
Administration Costs	1630000.00	0	1,630,000.00	1,546,268.80	101
Activity	1500000.00	0	1,500,000.00	356,400.00	23.76
<b>TOTAL</b>			<b>11,400,000.00</b>	<b>8,938,448.65</b>	<b>78.85</b>
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	6,000,000.00	0	6,000,000.00	4,090,000.00	68.17
M&I parents' contribution					

Account Description	Original Budget	Amendments	Final Budget	Actual On Comparable Basis	% Utilization
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	4,000,000.00		4,000,000.00	7,149,882.00	178.75
Repairs And Maintenance	2,000,000.00		2,000,000.00	1,667,148.00	83.36
Local Transport / Travelling	3,000,000.00		3,000,000.00	2,546,063.00	84.87
Electricity And Water	3,400,000.00		3,400,000.00	3,324,362.00	97.78
Administration Costs	2,500,000.00		2,500,000.00	2,259,589.00	90.38
Activity	250,000.00		250,000.00	247,944.00	99.18
SMASSE					
Fee On Boarding Equipment and Stores	19,850,000.00		19,850,000.00	15,928,780.00	80.25
<b>TOTAL</b>			<b>35,000,000.00</b>	<b>33,123,768.00</b>	<b>94.64</b>
<b>5) Miscellenous Income</b>					
Income From Posho Mill	0		0		
Income From Bus Hire				291,000.00	100
Fee For Hire of Ground and Equipment	0		0		
Income From Any Other Investment					
<b>Total Income</b>	<b>54,344,000.00</b>		<b>57,044,000.00</b>	<b>49469,568.65</b>	<b>87.58</b>
<b>(6) Expenditure For Tuition</b>					
Exercise Books	2,322,000.00		2,322,000.00	450,000.00	19.38

Laboratory Equipment	1,161,000.00		1,161,000.00	100,000.00	8.61
Exams And Assessment	580,500.00		580,500.00	517,500.00	89.15
Teaching / Learning Materials	580,500.00		580,500.00	108,000.00	18.6
Bank Charges				1,680.00	0
<b>TOTAL</b>			<b>4,644,000.00</b>	<b>1,177,180.00</b>	
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	3,000,000.00		3,000,000.00	5,189,896.00	173
Repairs, Maintenance & Improvements	0				
Local Transport / Travelling	1,630,000.00		1,630,000.00	1,334,135.00	81.85
Electricity, Water and Conservancy	1,640,000.00		1,640,000.00	287,513.00	17.53
Medical	2,000,000.00		2,000,000.00	82,530.00	4.13
Administration Costs	1,630,000.00		1,630,000.00	253,850.00	15.57
Activity Expenses	1,500,000.00		1,500,000.00	253,850.00	16.92
Gratuity	0		0		
SMASSE	0		0		
<b>TOTAL</b>			<b>11,400,000.00</b>	<b>7,401,774.00</b>	<b>64.93</b>
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms	6,000,000.00		6,000,000.00	978,950.00	16.32
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					

Particulars	Original Budget	Adjustments	Actual Expenditure	Actual Or Comparative Basis	% of Expenditure
Purchase of machinery					
<b>TOTAL</b>			<b>6,000,000.00</b>	<b>978,950.00</b>	<b>16.32</b>
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	4,000,000.00		4,000,000.00	1,470,507.00	36.76
Repairs, Maintenance and Improvements	2,000,000.00		2,000,000.00	3,372,651.00	168.63
Local Transport / Travelling	3,000,000.00		3,000,000.00	2,928,106.00	97.6
Electricity, Water and Conservancy	3,400,000.00		3,400,000.00	1,355,678.00	39.87
Medical Expenses	0		0	4,600.00	
Administration Costs	2,500,000.00		2,500,000.00	2,925,730.00	117.03
Activity	250,000.00		250,000.00	1,025,885.00	410.35
Boarding Equipment and Stores	19,850,000.00		19,850,000.00	23,936,554.00	120.59
Expenditure For Income Generating Activity	0		0	840,320.00	100.00
Insurance Costs	300,000.00		300,000.00	200,000.00	66.67
Bank Charges	0		0	41,149.00	100
			<b>38,060,031.00</b>	<b>38,101,180.00</b>	<b>100.11</b>
<b>Totals</b>	<b>62,345,680.00</b>		<b>62,386,829.00</b>	<b>47,657,404.00</b>	<b>76.39</b>

i) Underutilization on capitation grant is caused by failure of government to release full capitation while on contribution from parents, underutilization is caused by poor fee payment.

ii) Over utilization came about due to uncertainties such as repeated fire incidences in school.

**Significant Accounting Policies**

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

**1. Statement of compliance and basis of preparation**

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

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

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

**2. Recognition of receipts and payments**

The *school* recognises all receipts from 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits or all 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.

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023

Notes To The Financial Statements

Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition	0	2,492,548.60
Exercise Books	1,260,343.00	-
Laboratory Equipment	630,171.75	-
Internal Exams	315,086.50	-
Teaching / Learning Materials	770,750.75	-
<b>Total</b>	<b>2,976,352.00</b>	<b>2,492,548.60</b>

\*Include others as per MOE circulars

Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	4,892,399.65	3,491,988.8
Local Transport / Travelling	553,081.00	653,841.00
Electricity And Water	1,447,899.20	1,034,443.00
Medical	92,400.00	0
Administration Costs	1,646,268.80	2,162,063.00
Activity	356,400.00	0
Status deductions	771,950.00	787,739.00
ELI SACCO	425,212.00	317,808.00
Union dues	39,035.00	34,032.00
Namwela Sacco	77,099.00	95,636.00
PAYE	5,709.00	
Salary advance	101,100.00	151,010.00
School fund A/c	540,000.00	
Maintenance & Improvement	4,090,000	3,407,000.00
Infrastructure A/c	941,000.00	
<b>Total</b>	<b>15,979,553.00</b>	<b>12,135,560.80</b>

Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs

NAMWELA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Description	2022-2023 Kshs	2023-2023 Kshs
Maintenance & Improvement	4,090,000.00	3,407,000.00
Operation A/c	920,000.00	
Other (specify)(NGCDF and County govt.		
<b>Total</b>	<b>5,010,000.00</b>	<b>3,407,000.00</b>

School Fund Income - Parents Contribution/Fees

Description	2022-2023 Kshs	2023-2023 Kshs
Personnel emoluments	7,149,882.00	3,844,112.00
Repair and maintenance	1,667,148.00	1,761,919.00
Local transport / travelling	2,546,063.00	3,151,373.00
Electricity and water	3,324,362.00	2,856,613.00
Administration costs	2,259,589.00	2,190,226.00
Activity	247,944.00	298,261.00
Fee on Boarding, Equipment and stores	15,928,780.00	14,869,726.00
PA project	27,560.00	0
KMF fines	864,000.00	0
KCSE 2022	33,000.00	0
KCSE 2021/2020	43,900.00	680,800
KCS 2023	311,400.00	-
Fee arrears	4,005,980.00	2,866,077.00
prepayment	1,350,353.00	2,844,991.00
<b>Total</b>	<b>39,759,901.00</b>	<b>35,364,098.00</b>

Miscellaneous Incomes

Description	2022-2023 Kshs	2023-2023 Kshs
Rent income	-	8,700.00
Income From Farming Activities	15,360.00	2,960.00
Income From Bus Hire	291,000.00	447,500.00
School Canteen	560,495.00	851,292.00
Water Income	97,200.00	177,000.00
Empty buckets/Jerican	19,600.00	13,820.00
Bus insurance	31,000.00	-

NAMWELA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

School Bakery		16,000.00
Other Income (miscelenous)*	239,350.00	321,470.00
Savings	705,000.00	1,879,000.00
NSS*	121,822.00	
NHIF	42,400.00	
PAYE	1,231.00	
Salary Advance	33,500.00	
Infrastructure A/c	1,200,000.00	3,432,000.00
Elimu sacco	81,913.00	
Namwela Sacco	17,297.00	
Union dues	8,695.00	
Operation A/c	260,000.00	
<b>Total</b>	<b>3,731,363.00</b>	<b>7,149,742.00</b>

Notes to the Financial Statements (continued)

Tuition

Particulars	2022-2023 KShs	2021-2022 KShs
Exercise Books	450,000.00	1,230,000.00
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	160,000.00	413,915.00
Teaching / Learning Materials	108,000.00	198,900.00
Exams And Assessment	517,500.00	296,760.00
Teachers Guides	-	-
Bank charges	1,630.00	3,840.00
Surplus creditors	165,650.00	535,780.00
<b>Total</b>	<b>2,833,680.00</b>	<b>2,679,195.00</b>

Operations

Particulars	2022-2023 KShs	2021-2022 KShs
Personnel Emoluments	5,189,896.00	5,730,046.00
Administration Cost	1,285,305.00	1,236,021.00
Local Transport / Travelling	1,334,135.00	441,809.00
Electricity And Water	287,513.00	513,480.00
Medical	82,530.00	40,000.00
Activity Expenses	253,850.00	32,510.00
Repair, maintenance & improvement	0	33,180.00
Insurance Cost	72,000.00	0
Others (Bank charges)	3,959.00	5,281.00
KRA Penalty	50,000.00	50,000.00
Sundry creditors	844,658	0
Statutory deductions	503,035.00	527,372.00
ELIMU SACCO	375,348.00	288,225.00
UNION DUES	37,645.00	34,212.00
Namwela sacco	67,189.00	80,536.00
PAYE	481.00	
Salary Advance	60,500.00	26,160.00
School fund A/c	520,000.00	

**NAMWELA SECONDARY SCHOOL**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

imprest	23,000.00	
Maintenance & improvement	5,010,000.00	
<b>Total</b>	<b>16,001,044.00</b>	<b>12,445,772</b>

**Infrastructure**

	2022-2023	2021-2022
	KShs	
Construction of classrooms	978,950.00	3,761,758.00
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Bank charges	1,425.00	4,842.00
Sundry expenses	340,000.00	
Operation A/c	941,000.00	
School fund A/c	1,200,000.00	
<b>Total</b>	<b>3,461,375.00</b>	<b>3,766,600.00</b>

**Bearing And School Fund**

	2022-2023	2021-2022
Personnel Emoluments	1,470,507.00	268,933.00
Service Gratuity	0	0
Repairs And Maintenance & Improvements	3,372,651.00	3,450,093.00
Local Transport / Travelling	2,928,106.00	3,107,743.00
Electricity And Water	1,355,678.00	1,448,603.00
Medical Expenses	4,600.00	247,272.00
Administration Costs	2,925,730.00	3,148,409.00
Activities	1,925,885.00	623,735.00
Bus insurance		200,000.00
Bank Charges	41,149.00	42,325.00
Expenses On Income Generating Activities**	838,520.00	39,400.00
Fee On Boarding Equipment and Stores	23,936,554.00	21,012,878.00
KCSE 2022	6,600.00	1,097,800.00
Bus maintenance	-	982,880.00

NAMWELA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

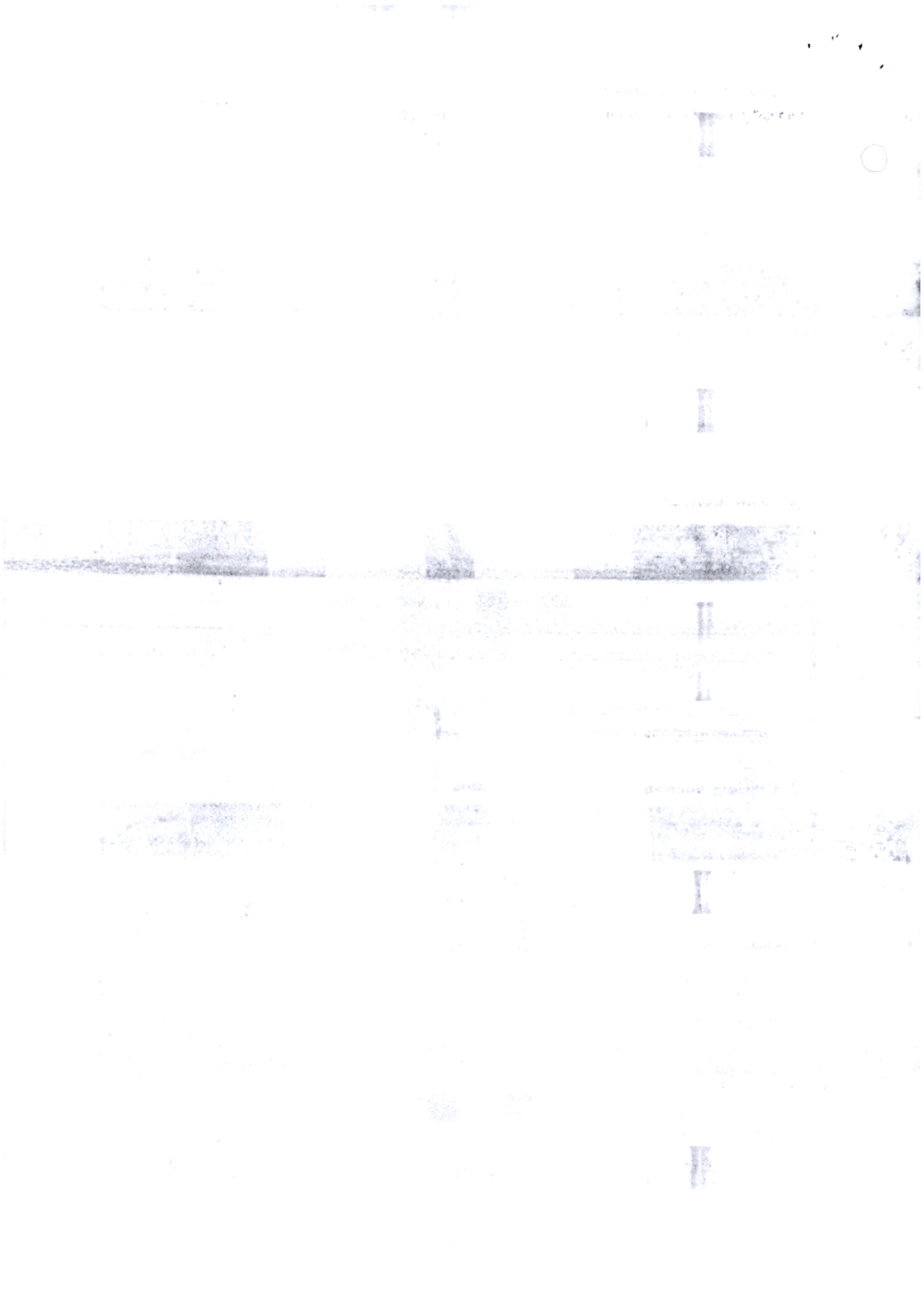
RMI fine	£64,000.00	-
Insurance Cost (Bus insurance)	200,000.00	200,000.00
KCSF 2023	346,800.00	-
NHIF Penalty	162,000.00	-
KCSE 2021	0	1,097,800.00
KRA Penalty	-	50,000.00
Savings	460,900.00	1,831,533.00
Sundry creditors	2,068,190.00	1,550,049.00
Miscellaneous	78,505.00	124,535.00
Fee refund	163,790.00	126,918.00
Statutory deductions	412,687.00	
Salary advance	152,300.00	138,400.00
Elime sacco	134,438.00	
Namwela sacco	24,685.00	
PAYE		4,384.00
Operation A/c	20,000.00	
imprest	38,000.00	
infrastructure	150,000.00	
<b>Total</b>	<b>43,182,275.00</b>	<b>43,257,648.00</b>

Bank Accounts

Account Name	Status	Bank Account Number	2022-2023	2021-2022
Current	Active/Dormant		Ksh	
Tuition Account	Active	011039049931300	147,483.27	4,811.27
Operations Account	Active	011039049931301	2,216.35	23,816.70
School Fund Account/Boarding	Active	1106248775	334,019.20	26,911.20
Savings Account	Active	1105398153	0	0
Parent Association Development Account	N/A	-	0	0
Income Generating Activities Account	N/A	-	0	0
Infrastructure Account	active	1260936236	1,688,629.30	140,195.00
<b>Total</b>			<b>2,172,532.82</b>	<b>195,734.17</b>

Cash In Hand

Description	2022-2023	2021-2022
	Ksh	



**NAMWELA SECONDARY SCHOOL**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

Notes and Coins	2,900.00	409.00
<b>Total</b>	<b>2,900.00</b>	<b>409.00</b>

**Short Term Investments**

Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Accounts Receivable**

Fees Arrears	27,329,038.00	15,208,825.00
<b>Other Non-Fees Receivables</b>		
Eiimu sacco	26,992.00	
Salary Advances (list/schedule attached)	90,190.00	17,990.00
Imprest (list/schedule attached)	61,000.00	0
Rent arrears (list/schedule attached)	0	0
<b>Total</b>	<b>27,597,220.00</b>	<b>15,226,815.00</b>

**13 b Ageing Analysis of Accounts Receivable**

	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	16,126,193.00	59.00	6,772,484.00	44.52
Between 1- 2 years	2,766,504.00	10.12	6,892,468.00	45.31
Between 2-3 years	6,892,468.00	25.20	1,543,873.00	10.15
Over 3 years	1,543,873.00	5.65	0	0
<b>Total (shown in note 13 a)</b>	<b>27,597,220.00</b>		<b>15,226,815.00</b>	<b>100</b>

**Accounts Payable**

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NAMWELA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

	2022-2023	2021-2022
Trade Creditors (See Ageing Below and Appendix 1)	16,410,928.00	13,579,333.00
Prepaid Fees	1,186,563.00	2,718,073.00
NSSF	521,773.00	100,181.00
NHIF	181,600.00	154,500.00
UNION DUES	5,634.00	8,820.00
PAYE	1,394.00	1,302.00
NAMWELA SACCO	5,172.00	15,100.00
<b>Total</b>	<b>18,313,064.00</b>	<b>16,606,892.00</b>

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	7,740,943.00	47.17	9,120,832.00	67.16
Between 1-2 years	4,211,484.00	25.66	3,040,898.00	22.39
Between 2-3 years	3,040,898.00	18.53	1,417,603.00	10.43
Over 3 years	1,417,603.00	8.64	0	0
<b>Total (should tie to note 14)</b>	<b>16,410,928.00</b>		<b>13,579,933.00</b>	

Fund Balance Brought Forward

	2022-2023	2021-2022
Bank Balances	195,734.17	1,295,446.77
Cash Balances	409.00	204,627.00
Short Term Investments	0	0
<b>Total</b>	<b>196,143.17</b>	<b>1,500,073.77</b>

**Other important disclosure notes**

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

**Non-current Liabilities Summary**

Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**Biological Assets**

Biological Assets	Quantity	2022/23	2021/22
Cattle	4	225,000.00	225,000.00
Goats	0	0	5,000.00
Sheep	2	4,000.00	4,000.00
Trees	1200	340,000.00	340,000.00
Coffee Or Tea Plantation	0	0	0.00
Poultry	0	0	0.00
<b>Total</b>		<b>569,000.00</b>	<b>574,000.00</b>

**Borrowings**

Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
<b>Balance at the end of the year</b>	<b>0.00</b>	<b>0.00</b>

Other important disclosure notes

Stock/ Inventory

Item	Value	
Food stuffs	399,248.00	
Lab consumables	450,105.00	
Farm produce	89000.00	
Medicat.	-	
Construction Materials	545,000.00	
Others (specify)		
	<b>1,483,353.00</b>	

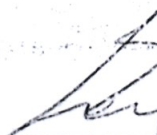
NAMWELA SECONDARY SCHOOL

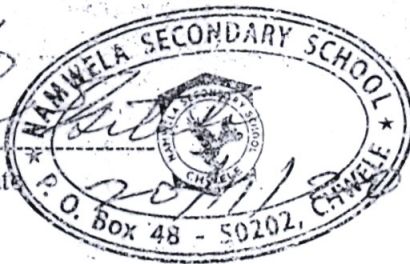
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Progress On Follow Up of Auditor Recommendations

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)	Time Frame
MOE/DSAS/S6/64	Sundry creditors- school management to pay genuine trade and general creditors to avoid accumulation and possible legal action		Not resolved	In January 2024
	Sundry debtors- the management should enhance recovery of fees debtors to safeguard against risk of bad debts			

  
 Sign and Date  
 Principal



Annexes

Annex I - Analysis of Pending Accounts Payable

**SCHOOL FUND A/C CREDITORS**

NAME OF SUPPLIER	YEAR	VOTEHEAD	ITEM	AMOUNT(ksh.)
Khamulati stores	2022/2023	S.creditor	Boarding items	518830.00
Pamimi stores	2023	BES	Boarding items	438100.00
Moses Biketi barasa	2023	BES	Beef	649520.00
Cleviant General Enterprises	2022/2023	s. creditor	Students chairs	685000.00
Marvik Emporum	2022	s. creditor	White boards	906400.00
Derrian Investment	2022	S.creditor	Students beds and chairs	81000.00
Bungoma Mamu Agencies	2022	s.creditor	Electrical materials	180645.00
Gertude khachabani	2022/2023	s.creditor	Maize	20000.00
Line member baraton women group	2023	s.creditor	Maize/beans	558250.00
Petronila ta... Oriyango	2023	s.creditor	Beans	81266.00
Pestgon It...	2023	s. creditor	Fumigation	25000.00
Water resources Authority	2023	s.creditor	Water use charges	67208.00
Central farmers garage ltd	2022	s.creditor	Bus service and maintance	79504.00
Richard wanyama	2022	s.creditor	Construction labourfor principal house	70000.00
Ivan imbuga lusiji	2023	s.creditor	Repair beds and lockers	60000.00
Lilian wanjala	2023	s.creditor	maize	188912.00
Brian Odhiambo Otieno	2023	s.creditor	Repair of beds	25000.00
Benson wa... la Wanyonyi	2022	s.creditor	s. creditor	10000.00
George Okelo Ogola	2023	s.creditor	Boiler installation	513000.00
Friends sc... ol Kamusinga welfare	2023	s.creditor	Students bread	31250.00
Hewson Company ltd	2023	s.creditor	Security	132667.00
Kinya fire protectors	2023	E.W.C	Fire extinguisher	25500.00
Taxolin enterprises	2023	BES	Matresses& blankets	149800.00
New Ebeneza Electrical	2023	E.W.C	Electrical materials	100750.00
Sibaja enterprise	2023	E.W.C	Construction materials	36000.00
Amarts Co... ctors	2023	M&I	Labour for dormetory construction	250000.00

**NAMWELA SECONDARY SCHOOL**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

Susy Namusia sitati	2023	BES	Maize	91000.00
Esther s. Elima	2023	BES	Maize	167911.00
Sylvester Oduor	2023	BES	Fumigation	150000.00
Jahero Enterprises	2023	BES	Detergent and disinfectant	90000.00
<b>TOTAL</b>				<b>6382513.00</b>

**OPERATION A/C CREDITORS**

NAME OF SUPPLIER	YEAR	VOTEHEAD	ITEM	AMOUNT(ksh)
Seropa Enterprises	2022	s.creditor	White board	20000.00
Network system and accessories	2022/2023	s.creditor	Computer repair and mantanance	155500.00
Emalela sports & lab ventures	2022/2023	s.creditor	Games items	181400.00
<b>TOTAL</b>				<b>356900.00</b>

**TUITIO A/C CREDITORS**

NAME OF SUPPLIER	YEAR	VOTEHEAD	ITEM	AMOUNT(ksh)
Mas lab supplies	2022/2023	S.creditor	Lab chemical	589265.00
Mas lab supplies	2023/2024	Lab chemicalais	Lab chemical and equip	412265.00
<b>TOTAL</b>				<b>1001530.00</b>

**GRAND TOTAL KSH. 7,740,943.00**

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Acquired during the year (Kshs)	Disposal during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land	3,500,000.00	0	0	3,500,000.00
Buildings And Structures	200,000,000.00	250,000.00	0	200,250,000.00
Motor Vehicles	14,000,000.00	0	0	14,000,000.00
Office Equipment, Furniture and Fittings	2,500,000.00	200,000.00	0	2,700,000.00
Textbooks	1,500,000.00	40,000.00	0	1,540,000.00
ICT Equipment	3,000,000.00	70,000.00	0	3,070,000.00
Tools And Apparatus	5,000,000.00	125,000.00	0	5,125,000.00
Other Machinery and Equipment	4,000,000.00	150,000.00	0	4,150,000.00
Heritage And Cultural Assets	0	0	0	0
Intangible Assets - Soft Ware	250,000.00			250,000.00
<b>Total</b>	<b>233,750,000.00</b>	<b>835,000.00</b>	<b>0</b>	<b>234,585,000.00</b>