

REPUBLIC OF KENYA



*Enhancing Accountability*

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**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 20 FEB 2015

DAY:

Thursday

TABLED  
BY:

Hon. Naomi Wago  
Deputy Majority Whip

OF

CLERK-AT  
THE-TABLE:

Imani Mwale

**THE AUDITOR-GENERAL**

**ON**

**NAMGOI MIXED DAY SECONDARY  
SCHOOL**

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

**NANDI COUNTY**



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**NAMGOI MIXED DAY SECONDARY SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

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**1. Acronyms and Glossary of Terms**

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

**Namgoi Mixed Day Secondary School**  
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**2. Key School Information and Management**

**(a) Background information**

The School is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Nandi County, Chesumei Sub-County

The School was registered in 26<sup>th</sup> July 2018 under registration number 29S000300181 and is currently categorized as a Sub-County Public School established, owned and operated by the Government.

The School is a Day School and had 696 numbers of students as at 30<sup>th</sup> June 2022. It has 8 streams and 25 teachers of which 2 teachers are employed by the School Board of Management.

**(b) School board of management - board members**

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

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Dr. Gideon k. Too	Chairman	3/6/2022
2	Mrs. Eglyne Maritim	Secretary - Principal	3/6/2022
3	Mr. Simion Kalya	Member	3/6/2022
4	Mr. Wiliam Yebei	Member	3/6/2022
5	Mrs. Grace Muchai	Member	3/6/2022
6	Mr. Barnaba Rotich	Member	3/6/2022
7	Mr. Obed Lamai	Member	3/6/2022
8	Ms. Grace Sugut	Member – CEB representative	3/6/2022
9	Mr. Henry Tanui	Member – Teachers representative	3/6/2022
10	Mrs. Felly Mutai	Member- Representing Sponsor	3/6/2022
11	Sirma Joseph	Member- Representing Community	3/6/2022
12	Ms. Ruth Chemutai	Member- Representing Special Needs	3/6/2022
13	Brian Kipngetch	Member -Representing Students	3/6/2022

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**The function of the School Board of Management includes:**

- 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.

**(a) Committees of the Board**

<b>Ref:</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
1	Executive Committee	Gideon Too Eglyne Maritim Julius Korir Felly Mutai	Chairman Secretary Member Member	2/3
2	Audit Committee	Joseph Sirma Daniel Barno Simon Kalya Grace Muchai	Chairman Secretary Member Member	0/3
3	Finance, procurement and general purposes committee	William Yebei Ruth Chemutai Sirma Joseph Obad Lamai	Chairperson Secretary Member Member	1/3
4	Academic Committee	Simon Kalya Felly Mutai Henry Tanui Alfred Tum	Chairperson Secretary Member Member	2\3
5	Development Committee	Grace Sugut Obad Lamai Peris Chepchirchir Alfred Tum	Chairlady Secretary Member Member	2/3

**Namgoi Mixed Day Secondary School**  
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Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
6	Discipline and welfare committee	Daniel Barno Julius Korir Grace Muchai	Chairman Secretary Member	1/3

**(b) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Eglyne J. Maritim	315559
2	Deputy Principal	Julius Kogey	410198
3	School Bursar	Gloriah Chelangat	27871630
4	Accounts clerk	Gloria Chepchumba	38007421

**(c) Schools contacts**

Post Office Box: 369  
 Telephone: 0721147502  
 Email: namgoi54secondary@gmail.com

**(d) School Bankers**

The School operated the following bank accounts during the year:

**1. Lunch account**

Name of Bank: Family Bank  
 Branch: Kapsabet  
 Account Number: 097000027682  
 M-pesa Paybill No. 222115 attached to lunch bank account bank account.

**2. Repairs and Maintenance (RMI) Account**

Name of Bank: Family bank  
 Branch: Kapsabet  
 Account Number: 097000030543

**3. Repairs and Maintenance (RMI) Account**

Name of Bank: Family bank  
 Branch: Kapsabet  
 Account Number: 097000032026

**Namgoi Mixed Day Secondary School**  
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**4. Operation Account**

Name of Bank: Co-Operative Bank  
Branch: Kapsabet  
Account Number: 01139325539202

**5. Tuition Account**

Name of Bank: Co-Operative Bank  
Branch: Kapsabet  
Account Number: 01139325529201

**6. CDF account**

Name of Bank: Equity Bank  
Branch: Kapsabet  
Account Number: 0490297349175

**(e) Independent Auditors**

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

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

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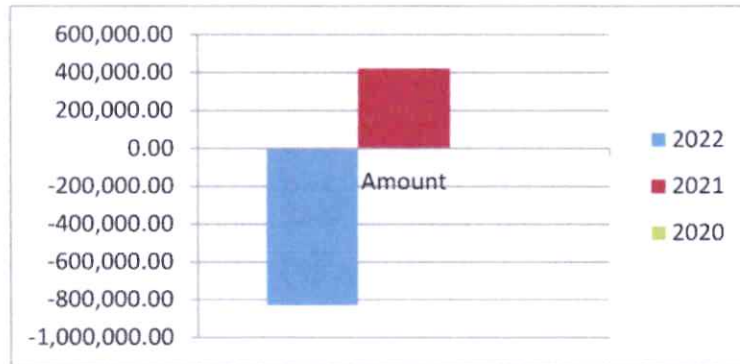
**3. Summary Report of Performance of The School**

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

**a) Financial performance:**

Analysis of Surplus/ deficit for the year in comparison of the same for the last three years was as follows:

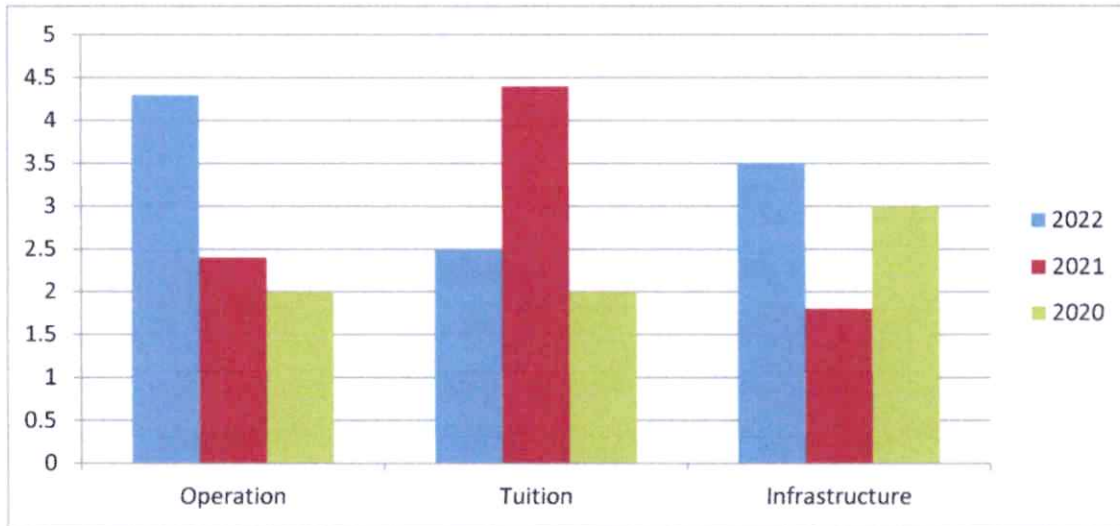
Year	2022	2021	2020
Amount	(831,038)	422,908	0



- Capitation grants from the Ministry of Education for the last three years were as tabulated below:

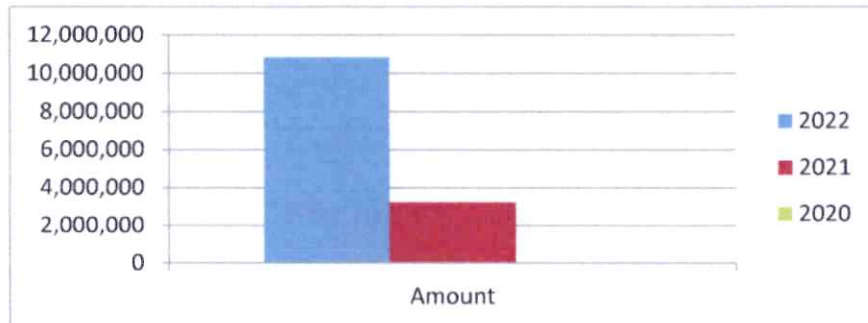
Year	2022	2021
Operation account	6,123,459	3,821,545
Tuition account	2,120,542	805,790
Infrastructure account	3,400,000	1,500,000
<b>Total</b>	<b>11,644,001</b>	<b>6,127,334</b>

**Namgoi Mixed Day Secondary School**  
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- A three-year overview of growth of other income(s) earned by the School were as follows:

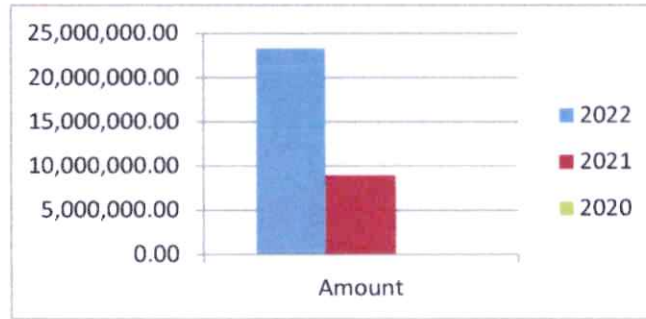
Year	2022	2021	2020
Amount	10,838,740	3,256,976	0



- A three-year overview of growth in expenditure of the School were as follows:

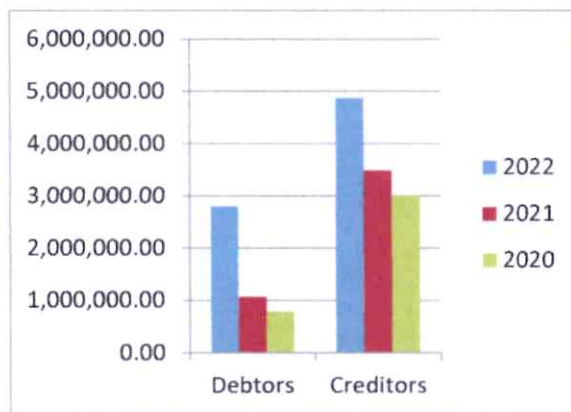
Year	2022	2021	2020
Amount	23,313,779	8,961,402	0

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**



- Movement of debtors and creditors of the School over the last three years were as follows:

year	2022	2021	2020
Debtors	2,801,915	1,070,093	790,249
Creditors	4,870,318	3,490,687	3,013,158



**b) Teacher Student ratio were as follows:**

The teacher student ratio during the year was 0.043. Analysis of the teacher movements during the year were as follows:

No of TSC Teachers	BOM Teachers	No.of Students	Retired Teachers	Transferred Teachers	Employed Teachers
28	2	692	0	0	

**Namgoi Mixed Day Secondary School**  
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**c) Mean score in the KCSE:**

<b>Year</b>	<b>Total no.of students</b>	<b>Mean points</b>	<b>Mean grades</b>	<b>No.to University</b>
2022	150	5.5800	C	32
2021	155	5.2581	C-	28
2020	141	5.6028	C	37

**d) Capacity of the School:**

<b>Students</b>	<b>Toilets</b>	<b>Dining hall</b>	<b>Laboratories</b>
692	22 doors and 1 Urinal	1	1

**Namgoi Mixed Day Secondary School**  
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e) **Development projects carried out by the School:**

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Tiling's	M&I	Complete	500,000	500,000	28 <sup>th</sup> July 2021
Plumbing	M&I	Complete	500,000	500,000	28 <sup>th</sup> October 2022
Completion of ramp	M&I	Complete	959,800	959,800	03 <sup>rd</sup> February 2022
Completion of boys ablutions	M&I	Ongoing	1,590,600	1,590,600	26 <sup>th</sup> June 2023

.....  
 School Principal



**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

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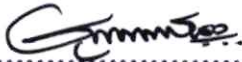
**4. Statement of School Management Responsibility**

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

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

The Board of Management of Namgoi Mixed Day 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).

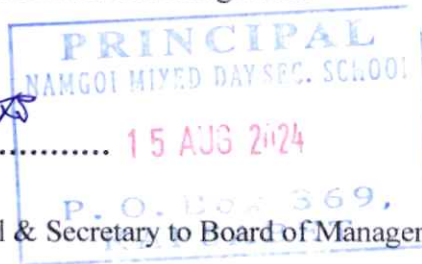
The Board of Management is of the opinion that the School's financial statements give a true and fair view of the state of the School's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the School's financial position as at that date.



.....  
**Name: Gideon Too**

**Designation:** Chairman, School Board of Management

**Date:** 15/8/2024



.....  
**Name: Kipchumba Korir**

**Designation:** School Principal & Secretary to Board of Management

**Date:** 15/8/2024



.....  
**Name: Gloriah Chelangat**

**Designation:** Bursar

**Date:** 15/8/2024

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON NAMGOI MIXED DAY SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – NANDI COUNTY**

### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Namgoi Mixed Day Secondary School – Nandi County set out on pages 1 to 15, which comprise of the statement of

*Report of the Auditor-General on Namgoi Mixed Day Secondary School for the year ended 30 June, 2022 – Nandi County*

financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the 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 Namgoi Mixed Day Secondary School as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

##### **1.1 Variance Balances Between Financial Statements and Statement of Receipts and Payments**

Total payments in the statement of receipts and payments of Kshs.28,562,254 varied with the total payments of Kshs.26,812,779 reflected in the statement of cash flows resulting to an unexplained variance of Kshs.1,749,475. Similarly, total payments in the statement of receipts and payments of Kshs.28,562,254 was at variance with the total payments of Kshs.18,793,915 reflected in the statement of comparison of budget and actual amounts resulting to unexplained variance of Kshs.9,768,339.

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

##### **1.2 Variance Between Financial Statements and Supporting Schedules**

The financial statements submitted for audit reflected balances that varied with the supporting schedules as detailed below:

<b>Item</b>	<b>Supporting Schedule Amount (Kshs.)</b>	<b>Financial Statements Amount (Kshs.)</b>	<b>Variance (Kshs.)</b>
<b>School Fund Income – Parents' Contributions</b>			
Lunch	8,479,769	10,417,149	48,876

Item	Supporting Schedule Amount (Kshs.)	Financial Statements Amount (Kshs.)	Variance (Kshs.)
Fee Arrears	388,376	0	388,376
<b>Boarding and School Fund Payments</b>			
Lunch	5,483,012	7,232,487	(1,749,475)
<b>Accounts Payable</b>			
Trade creditors	1,749,475	4,477,121	(2,727,646)
prepaid fees	370,940	393,197	(22,257)

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

## 2. Inaccuracies in Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and bank balance of Kshs.407,960 as disclosed in Note 10 to the financial statements. However, cash books and bank reconciliations statements for National Government Constituencies Development Fund (NGCDF) and Parents Association accounts were not provided for audit review.

Further, the statement of financial assets and financial liabilities reflects cash in hand of Kshs.14,065 which includes operations and school fund account balances of Kshs.9,140 and Kshs.4,925 respectively as disclosed in Note 11 to the financial statements. However, the balances were not supported with cash count certificates as required by Regulation 92(17) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the existence accuracy and completeness of cash balance of Kshs.407,960 could not be confirmed.

## 3. Over Expenditure

The statement of receipts and payments reflects total receipts of Kshs.25,695,068 against total payments of Kshs.28,562,254 resulting in an unexplained deficit of Kshs.2,867,186.

No explanation was provided for the over expenditure of Kshs.2,867,186

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Namgoi Mixed Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **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. There were no key audit matters to report in the year under review.

### **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Transfer Funds to Designated Accounts**

Payments for operations of Kshs.6,600,120 as disclosed in Note 7 to the financial statements include an amount that was supposed to be transferred to maintenance and improvement account of Kshs.3,000,000. However, the amount was spent as payment for operations. No explanation was provided for not transferring the amount to maintenance and improvement account.

In addition, payments for school fund of Kshs.12,069,616 and as disclosed in Note 9 to the financial statements include an amount supposed to be transferred to maintenance and improvement account of Kshs.400,000 in accordance with Circular Ref. No:MOE.HQS/3/13/3 dated 16 June, 2021 issued by the Ministry of Education.

However, the amount was spent as payment for school fund. No explanation was provided for treating the transfer as an expenditure in payment for school fund.

Further, the statement of receipts and payments reflects operations grants amount of Kshs.5,332,594 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,255,000 in respect of infrastructure grants which ought to have been transferred but were not transferred to infrastructure bank account for maintenance and improvement of the School's facilities. This was contrary to The Ministry of Education Circular Ref. No:MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

## **2. Failure to Prepare Budgets, Annual Procurement Plan and List of Registered Suppliers**

The School did not have an approved budget, procurement plan and list of registered suppliers for use during the year under review contrary to Section 16(1) of Part 1 of the Fourth Schedule of the Basic Education Act, 2013, Section 53(2), (5) and 57(1) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020.

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

## **3. Accuracy of Student Enrolment Data**

Review of student enrolment data indicates that more students were enrolled in the School than the number of students reflected in National Education Management Information System (NEMIS) resulting to under-funding of capitation of Kshs.1,038,908. This is contrary to Ministry of Education Circular MOE.HQS/3/13/3 of 16 June, 2021 that requires all learners to be registered in National Education Management Information System and the School Principals to ensure their records are accurate.

In the circumstances, effectiveness in service delivery due to the under-funding could not be confirmed.

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

The statement of receipts and payments reflects payment for operations of Kshs.6,600,120 which include activity fee of Kshs.303,350 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.208,250

transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.208,250 could not be confirmed

#### **5. Long Outstanding Trade Creditors**

The statement of financial assets and financial liabilities reflects accounts payable of Kshs.5,376,620. Included in this balance is trade creditors of Kshs.4,983,423 as disclosed in Note 14 to the financial statements. However, the trade creditors schedule provided for audit review was not accompanied with supporting invoices and delivery notes key ingredients in verification process.

In addition, trade creditors of Kshs.1,749,475, Kshs.1,402,980 and Kshs.1,830,968 had been outstanding for less than 1 year, between 1- 2 years and over 3 years respectively as disclosed in Note 14(a) to the financial statements. However, Management did not explain the reasons for continuous accumulation of accounts payables during the year. This is contrary to Regulation 150(1) of the Public Procurement and Disposal Regulations, 2020 which requires the School to make prompt payment within sixty (60) days from the date of receipt of the invoice.

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

#### **6. Unbalanced Budget**

The statement of budgeted versus actual amounts reflects a final income budget of Kshs.19,800,000 and final expenditure budget of Kshs.18,300,000 resulting to a budget surplus of Kshs.1,500,000. The budget imbalance is contrary to the provisions of Regulations 33(c) of the Public Finance Management (National Governments) Regulations, 2015 which states that budget revenue and expenditure shall be balanced.

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

#### **8. Lack of a Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.25,695,068 and Kshs.28,562,254 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This is contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a

procurement plan for each financial year as part of the annual budget preparation process'.

In the circumstances, Management was in breach of the law

### **Basis for Conclusion**

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for 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 overall governance were not effective.

### **Basis for Conclusion**

#### **1. Under - Supply of Textbooks**

Audit review of request and delivery records of text books to school revealed that the School ordered for one hundred and fifty-eight (158) text books of four (4) different categories or types that corresponds to the number of students taking the subject. However, the Ministry delivered 153 text book, five (5) less the number of students that required the text book for each of the four (4) categories or types of book.

In the circumstances, effectiveness in management of books could not be confirmed.

#### **2. Non-compliance in Appointment and Functions of Audit Committee**

Review of the audit committee revealed that the School had four (4) Audit Committee members. However, there was no evidence provided for review to confirm that the Chairperson of the Committee was independent of the School, knowledgeable of the organization, possessed the requisite business and leadership skills and was not

politically inclined as required by Regulation 174(5) of the Public Finance Management (National Government) Regulations, 2015.

In addition, the Committee did not hold meetings during the year under review as required by Regulation 179(1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the independence, oversight and governance could not be confirmed.

### **3. Bloated Board of Management**

Audit review of Board Committees revealed that the School established additional three (3) Board Committees contrary to Section 61(2) of the Basic Education Act, 2013. The additional committees included the Development, Ad-Hoc and Strategic Planning Committees.

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

### **4. Lack of Risk Management Policy**

Review of the School's risk management processes revealed that the School did not have a risk management policy in place which posed a threat to data availability, security and integrity.

In the circumstances, the existence and functioning of the risk management processes could not be confirmed.

### **5. Lack of Disaster Recovery and Business Continuity Plans**

Review of the School's information technology internal control environment indicated that the School had two IT systems. However, there was no approved contingency plans that included data backup, disaster recovery and business continuity.

In the circumstances, the absence of a disaster recovery plan leaves the School vulnerable to a range of negative consequences, impacting its ability to sustain operations and protect data.

### **6. Lack of an Internal Audit Function**

Review of internal audit function revealed that the School did not establish an internal audit function contrary to Section 73(1)(a) of the Public Finance Management Act, 2012 which states that every National Government entity shall ensure that it complies with this

Act and (a) has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board.

In the circumstances, weaknesses in internal controls, risk management and governance may not be detected and recommendations for improvements made.

#### **7. Undisclosed Fixed Assets**

Annex 2 to the financial statements did not list the School's assets as at 30 June, 2022. However, physical verification carried out revealed that the School owned other assets with undetermined value such as land, buildings and structures, office equipment, furniture and fittings, ICT equipment, tools and apparatus and text books.

In addition, Management of the School did not maintain an asset register in the format prescribed in Appendix 6 to The National Treasury Guidelines on Asset and Liability Management in The Public Sector, 2020.

Further, records provided for review indicated that the School is in possession of a piece of land which is registered in the name of a neighbouring Primary School. However, there was no evidence provided to confirm the arrangements on usage with the Primary School.

In the circumstances, ownership, right and obligations of the assets could not be confirmed.

#### **4. Weakness in Management of Inventory**

Note 19 to the financial statements reflects Nil inventory balance. However, audit review revealed that the School had stock of various items of undetermined value such as chemicals, laundry items, white-boards/chalkboards, marker pens, chalk, erasers, pens, pencils, sharpeners, notebooks', paper, folders, glue, scissors, rulers, educational posters, charts and teaching materials. Further, stock take instructions, stock take counts/certificate and reconciliation between physical count and stores records were not provided for audit review.

In the circumstances, existence of effective management of inventory 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 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 overall governance.

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

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015. In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities,

financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be materials weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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


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

report. However, future events or conditions may cause the School to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures, as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

13 September, 2024

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

**6. Statement of receipts and payments for the year ended 30th June 2022**

DESCRIPTION OF VOTE HEAD	Note	2021-2022	Jan - June 2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Government grants for tuition	1	2,120,542	805,790
Government grants for operations	2	5,332,594	3,812,814
Government Grants for infrastructure	3	7,289,743	1,500,000
School fund income- parents' contributions	4	10,952,189	4,017,332
Miscellaneous incomes	5	-	-
<b>TOTAL RECEIPTS</b>		<b>25,695,068</b>	<b>10,135,936</b>
<b>PAYMENTS</b>			
Payments for Tuition	6	2,127,170	790,360
Payments for operations	7	6,600,120	2,773,609
Payments for infrastructure	8	7,765,348	2,041,395
Boarding and school fund payments	9	12,069,616	3,313,934
<b>TOTAL PAYMENTS</b>		<b>28,562,254</b>	<b>8,919,298</b>
<b>SURPLUS/DEFICIT</b>		<b>(2,867,186)</b>	<b>1,216,638</b>

The School financial statements were approved on \_\_\_\_\_ and signed by:

**PRINCIPAL**  
 NAMGOI MIXED DAY SEC. SCHOOL  
 15 AUG 2024  
 P.O. Box 369,  
 KAPSABET

*Gideon Too*

*Kipchumba Korir*

*Gloriah Chelangat*

Name: Gideon Too

Name: Kipchumba Korir

Name: Gloriah Chelangat

Chair BOM

Principal/ Secretary to BOM

Bursar

Date: 15/8/2024

Date: 15/8/2024

Date: 15/8/2024

Namgoi Mixed Day Secondary School  
Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022

7. Statement of Assets and Liabilities as at 30<sup>th</sup> June 2022

	Note	2021-2022	Jan - June 2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	10	407,960	2,615,065
Cash Balances	11	14,065	80,478
Short term Investment	12	-	-
<b>Total Cash and Cash Equivalents</b>		<b>422,025</b>	<b>2,695,543</b>
Account's receivables	13	2,362,358	1,070,093
<b>TOTAL FINANCIAL ASSETS</b>		<b>2,784,383</b>	<b>3,765,636</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	14	5,376,620	3,490,687
<b>NET FINANCIAL SSETS</b>		<b>(2,592,237)</b>	<b>274,949</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	15	274,949	(941,689)
Surplus/Deficit for the year		(2,867,186)	1,216,638
<b>NET FINANCIAL POSITION</b>		<b>(2,592,238)</b>	<b>274,949</b>

The School's financial statements were approved on 15/8 and signed by:



Name: Gideon Too

Chair BOM

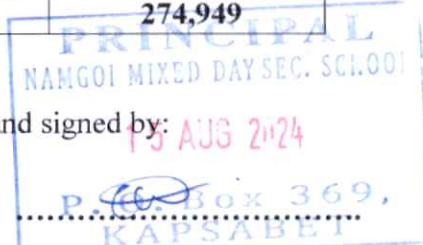
Date: 15/8/2024



Name: Kipchumba Korir

Principal/ Secretary to BOM

Date: 15/8/2024



Name: Gloriah Chelangat

Bursar

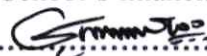
Date: 15/8/2024


**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**


**8. Statement of Cash Flows for the Year Ended 30th June 2022**

		2021-2022	Jan - June 2021
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Government grants for tuition	1	2,120,542	805,790
Government grants for operations	2	5,332,794	3,812,814
Government Grants for infrastructure	3	7,289,743	1,500,000
School fund income- parents' contributions	4	9,796,382	3,994,227
Miscellaneous incomes	5	-	-
<b>Total receipts</b>		<b>24,539,261</b>	<b>10,112,831</b>
<b>Payments</b>			
Cash outflows for tuition	6	2,127,170	950,320
Cash outflows for operations	7	6,600,120	2,390,859
Cash outflows for infrastructure	8	7,765,348	<b>2,041,395</b>
Cash outflows Boarding/lunch and school fund payments	9	10,720,141	3,315,934
<b>Total payments</b>		<b>26,812,779</b>	<b>8,698,508</b>
<b>Net cash flow from operating activities</b>		<b>(2,273,518)</b>	<b>1,414,323</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
<b>Net cash flows from Investing Activities b</b>			
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans		-	
Repayment of principal borrowings		-	
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(2,273,518)</b>	<b>1,414,323</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>2,695,542</b>	<b>1,281,220</b>
<b>Cash and cash equivalent at END of the year</b>		<b>422,024</b>	<b>2,695,542</b>

The School's financial statements were approved on 15 AUG 2024 and signed by:

  
 Name: Gideon Too  
 Chair BOM

  
 Name: Kipchumba Korir  
 Principal/ Secretary to BOM

  
 Name: Gloriah Chelangat  
 Bursar

Date: 15/8/2024

Date: 15/8/2024

Date: 15/8/2024

Namgoi Mixed Day Secondary School  
Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022

9. Statement Of Budgeted Versus Actual Amounts for the year ended 30th June 2022

Receipt/Expense 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 %
<b>RECEIPTS</b>						
<b><i>(1) CAPITATION GRANT ON TUITION</i></b>						
Teaching/learning materials	3,000,000		3,000,000	2,120,542	879,458	71%
					-	
<b><i>(2) CAPITATION GRANT ON OPERATIONS</i></b>					-	
Personnel emoluments	2,200,000	-	2,200,000	2,143,395	56,605	97%
Local transport and travelling	1,100,000	-	1,100,000	1,030,000	70,000	94%
Electricity and water	1,200,000	-	1,200,000	1,100,000	100,000	92%
Administration costs	1,100,000		1,100,000	1,059,199	40,801	96%
	-				-	
					-	
<b><i>(3) FEES CHARGED ON PARENTS(School FUND)</i></b>					-	
Lunch	11,200,000	-	11,200,000	10,952,189	247,811	98%
<b><i>OTHER INCOME</i></b>					-	-
<b><i>Donation</i></b>	-	-	-	-	-	-
<b>TOTAL INCOME</b>	<b>19,800,000</b>	<b>-</b>	<b>19,800,000</b>	<b>7,456,136</b>	<b>1,394,675</b>	
<b><i>(1) EXPENDITURE FOR TUITION</i></b>						
Teaching/learning materials	1,500,000	-	1,500,000	1,256,330	243,670	84%

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

<b>Receipt/Expense Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilization Difference</b>	<b>% of Utilization</b>
<b>PAYMENT FOR OPERATIONS</b>						
Personal Emoluments	1,700,000	-	1,700,000	1,382,019	317,981	81%
Local transport and travelling	600,000	-	600,000	579,000	21,000	97%
Administration Cost	2,500,000	-	2,500,000	2,488,806	111,194	99%
Electricity and water	400,000	-	400,000	314,794	85,206	79%
Activity	400,000	-	400,000	303,350	96,650	76%
<b>BOARDING AND School FUND PAYMENTS</b>						
Lunch	11,200,000	-	11,200,000	12,469,616	1,269,616	88%
<b>TOTAL</b>	<b>18,300,000</b>		<b>18,300,000</b>	<b>18,793,915</b>	<b>2,145,317</b>	

**Notes:**

1. The underperformance in capitation resulted from failure by government to release capitation in time
2. The general underutilization of expenditure resulted from covid-19 restrictions which limited activities of the School.

### **10. Significant Accounting Policies**

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

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

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

This cash basis of accounting has been supplemented with accounting for; a) receivables that include School fees from parents, impress, salary advances and other receivables and b) payables that include deposits and retention 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 recognizes 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 recognizes all expenses when the event occurs, and the related cash has actually been paid out by the School. Income arising from School fees is recognized when the event occurs whether cash is received or not. Expenditure arising from operations is recognized when the event occurs irrespective of receipt of cash.

#### **3. In-kind contributions**

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

**4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to 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, imp rests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. 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 retention's held on behalf of third parties have been recognized as accounts payable s. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfillment of obligations by the contractor and to hold deposits on behalf of third parties. Payable s also includes 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 expenses 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, 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 2022.

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

**11. Notes to The Financial Statements**

**1 Government Grants for Tuition**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Text books		
Exercise books		-
Laboratory equipment's and apparatus		-
Tuition Grants		-
Teaching/learning materials	2,120,542	805,790
chalks		-
Internal exams		-
Reference books		-
Direct deposit		-
<b>Total</b>	<b>2,120,542</b>	<b>805,790</b>

**2 Government Grants for Operations**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	2,143,395	1,753,350
Local transport / travelling	1,030,000	
Electricity and water	1,100,000	650,000
M&I account		-
Administration costs	1,059,199	909,464
Activity		500,000
<b>Total</b>	<b>5,332,594</b>	<b>3,812,814</b>

**3 Government Grants for infrastructure**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance & Improvement	7,289,743	1,500,000
Transition infrastructure grants		-
Administration Block		-
<b>Total</b>	<b>7,289,743</b>	<b>1,500,000</b>

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

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**4 School Fund Income - Parents Contribution/Fees**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Development	535,040	793,730
Lunch	10,417,149	2,861,420
Fees arrears		362,182
<b>Total</b>	<b>10,952,189</b>	<b>4,017,332</b>

**5 Miscellaneous Incomes**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfer from saving a/c		
Savings a/c		
Transfer from operation a/c		
Transfer from RMI a/c		
student deposit		
<b>Total</b>	<b>-</b>	<b>-</b>

**6 Payments for Tuition**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Text books		
Exercise books		
Laboratory equipment s and apparatus	700,000	690,000
Teaching/learning materials	1,256,330	100,000
chalks		
Internal exams		
Reference books	170,000	
Bank charges	840	360
<b>Total</b>	<b>2,127,170</b>	<b>790,360</b>

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

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**7 Payments for Operations**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Personal Emoluments	1,382,019	685,840
Local transport and travelling	579,000	369,000
Administration Cost	2,488,806	1,359,594
Maintenance & improvements	1,531,311	
Electricity and water	314,794	153,615
Bank Charges	840	1,560
M&I account		
Activity	303,350	204,000
<b>TOTAL</b>	<b>6,600,120</b>	<b>2,773,609</b>

**8 Payments for Infrastructure**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance & Improvement	7,765,348	2,037,795
Bank charges		3,600
<b>Total</b>	<b>7,765,348</b>	<b>2,041,395</b>

**9 Boarding and School Fund**

	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Activity	115,050	-
Repairs and maintenance & Improvements	812,890	75,590
Local transport / travelling	599,750	171,400
Electricity and water	217,570	85,765
Administration costs	1,445,650	963,290
PA-development	1,610,010	-
Bank Charges	36,209	4,368
Transfer to M&I a/c		
Lunch	7,232,487	2,013,521
<b>TOTAL</b>	<b>12,069,616</b>	<b>3,313,934</b>

**Namgoi Mixed Day Secondary School**  
**Annual Report and Financial Statements for the Year Ended 30<sup>th</sup> June 2022**

**10 Bank Accounts**

Account Name	Bank Account Number	Name of Bank	2022/2021	Jan-June 2021
			Kshs	Kshs
Tuition Account	1139325529201	Co-operative	20,066	26,694
Operations Account	1139325539202	Co-operative	8,549	358,872
School Fund Account/Boarding	97000027682	Family	287,410	97,246
M&I account	97000030543	Family	60,596	1,025,944
Parent Association Development Account	97000032026	Family	20,709	1,095,678
CDF account	490297349175	Equity	10,631	10,631
<b>Total</b>			<b>407,960</b>	<b>2,615,065</b>

**11 Cash In Hand**

Description	2021-2022	Jan-June 2021
	Kshs	Kshs
Operation Account	9,140	36,600
School Fund account	4,925	43,878
M&I account		
<b>Total</b>	<b>14,065</b>	<b>80,478</b>

**12 Short Term Investments**

Description	2021-2022	Jan-June 2021
	Kshs	Kshs
Cooperative shares	-	-
Equity stock	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Namgoi Mixed Day Secondary School**  
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**13 Accounts Receivable**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Fees arrears	2,362,358	1,070,093
<b>Other Non-Fees Receivables</b>		
Salary Advances	-	-
Impress	-	-
Rent arrears	-	-
<b>Total</b>	<b>2,362,358</b>	<b>1,070,093</b>

**13 (a) Ageing Analysis of Accounts receivable**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Less than 1 year	1,937,380	362,182
fees arrears recovered	(388,376)	(82,338)
Between 1- 2 years	362,182	466,449
Over 2 years	451,172	323,800
<b>Total</b>	<b>2,362,358</b>	<b>1,070,093</b>

**14 Accounts Payable**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Trade creditors	4,983,423	3,233,948
Prepaid fees	393,197	256,739
<b>Total</b>	<b>5,376,620</b>	<b>3,490,687</b>

**14a. Ageing Analysis of trade creditors**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Less than 1 year	1,749,475	1,402,980
Between 1- 2 years	1,402,980	1,830,968
Over 3 years	1,830,968	
Creditors paid		
<b>Total</b>	<b>4,983,423</b>	<b>3,233,948</b>

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**15 Fund Balance Brought Forward**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank balances	2,615,065	1,274,814
Cash balances	80,478	6,406
Short Term Investments	-	-
Receivables	1,070,093	790,249
Payables	(3,490,687)	(3,013,158)
<b>Total</b>	<b>274,949</b>	<b>(941,689)</b>

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**Other important disclosure notes**

**16 Non-current Liabilities Summary**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank loan(s)		
Outstanding Leases		
Hire purchase		
Gratuity and leave provision		
<b>Total</b>	<b>-</b>	<b>-</b>

**17 Biological assets**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Cattle		
Goats		
Trees		
Poultry		
<b>Total</b>	<b>-</b>	<b>-</b>

**18 Borrowings**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>KShs</b>	<b>KShs</b>
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>

**19 Stock/ Inventory**

<b>Description</b>	<b>2021-2022</b>	<b>Jan-June 2021</b>
	<b>KShs</b>	<b>KShs</b>
Food stuffs		
Lab consumables		
Medication		
Construction Materials		
Others		
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>

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**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.

<b>Ref No.</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status:</b>	<b>Timeframe:</b>

**PRINCIPAL**  
NAMGOI MIXED DAY SEC. SCHOOL  
 5 AUG 2024  
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Sign and Date . O. Box 369,  
Principal KAPSABET

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/2022	Outstanding Balance Jan – June 2021	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs		
<b>Construction of Buildings</b>						
Namgoi Furniture House	183,000			183,000	547,000	
<b>Sub-Total</b>	<b>183,000</b>	-	-	<b>183,000</b>	<b>547,000</b>	
<b>Supply of Goods</b>						
Highlands Internationals	100,000			100,000		
Startic Distributors	599,700			599,700	957,703	
Lens Laboratory Supplies	562,245			562,245		
Orient Publishers	304,530			304,530	404,530	
Lens Lab Supplies	262,790			262,790	696,925	
Judah K Tirop					345,000	
Kenyasonic Scientific System					40,000	
Startic Distributors	699,700			699,700		
Futuretech Comp Sol	160,200			160,200	22,000	
Litermore Ltd	64,000			64,000		
Lens Laboratory Suppliers	696,925			696,925		
Orient Publishers	304,530			304,530		
Startic Distributors Ltd	829,513			829,513		
Jep Engineering	98,000			98,000	220,790	

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/2022	Outstanding Balance Jan – June 2021	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs		
<b>Sub-Total</b>	<b>4,682,133</b>	-	-	<b>4,682,133</b>	<b>2,686,948</b>	
<b>Supply of Services</b>						
Salaries	101,280			101,280		
Electricity	10,020			10,020		
Water	2,250			2,250		
NHIF	1,200			1,200		
NSSF	3,540			3,540		
<b>Sub-Total</b>	<b>118,290</b>		-	<b>118,290</b>	-	
<b>Grand Total</b>	<b>4,983,423</b>		<b>0</b>	<b>4,983,423</b>	<b>3,233,948</b>	

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land	12,000,000			12,000,000
Buildings and Structures	34,000,000			34,000,000
Motor Vehicles				
Office Equipment, Furniture and Fittings	700,000			700,000
Textbooks				
ICT Equipment	300,000			300,000
Tools And Apparatus	600,000			600,000
Other Machinery And Equipment				
Heritage and Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>	<b>47,600,000</b>			<b>47,600,000</b>