

REPUBLIC OF KENYA



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| THE NATIONAL ASSEMBLY | |
| REPORT | |
| MEMBERS LAID | |
| DATE: 28 NOV 2023 | DAY: TUESDAY |
| TABLED BY: OF | Hon. Owen Baya MP Deputy majority leader |
| CLERK AT THE TABLE | Inzira mwale |

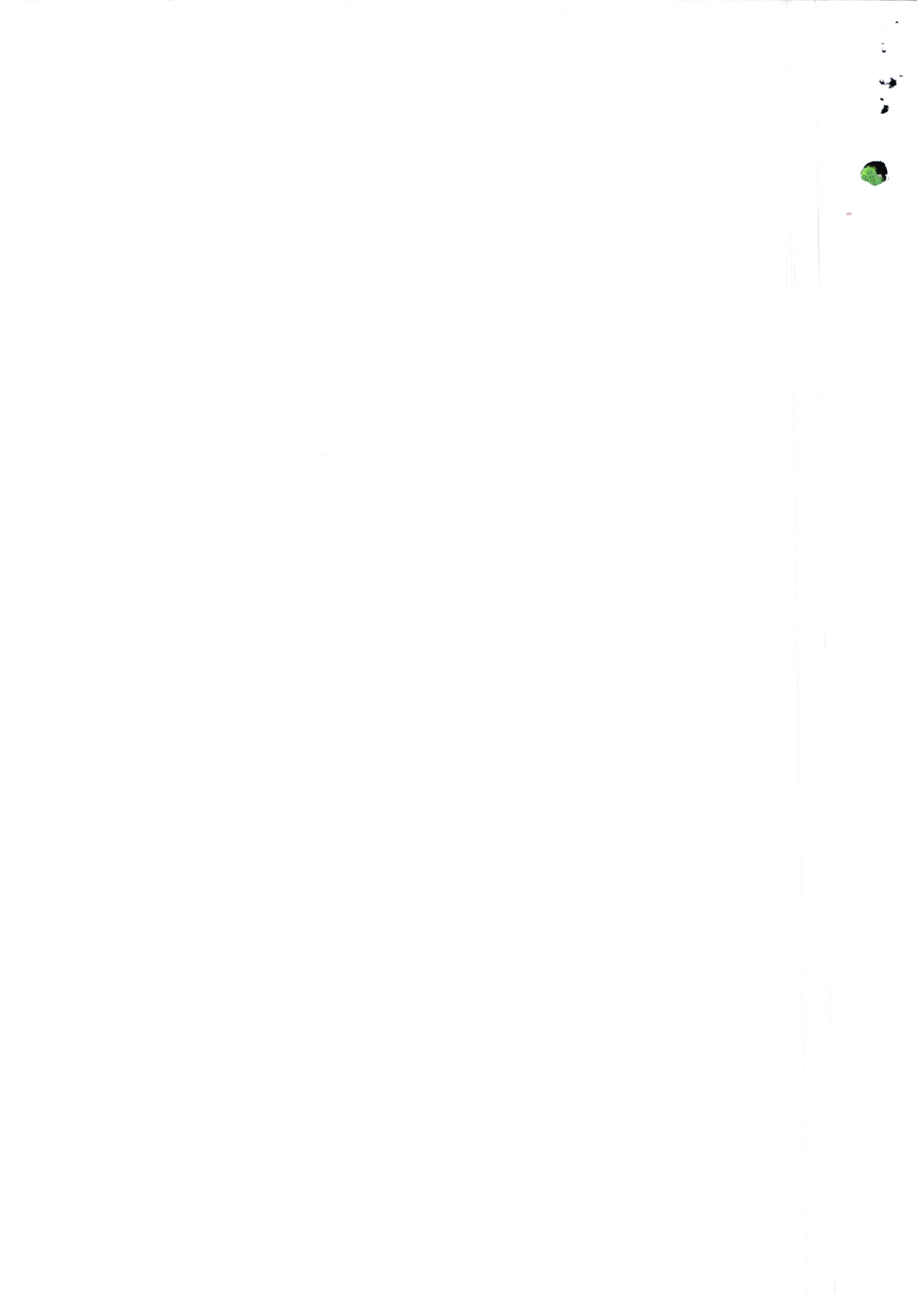
THE AUDITOR-GENERAL

ON

**NTHANGU MIXED DAY AND BOARDING
SECONDARY SCHOOL**

**FOR THE SIX (6) MONTHS
PERIOD ENDED 30 JUNE, 2021**

MAKUENI COUNTY



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.

17 JUL 2021

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**NTHANGU MIXED DAY AND BOARDING
SECONDARY SCHOOL
P.O. BOX 415-90300 MAKUENI**

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE SIX MONTHS PERIOD ENDED
30th June 2021**

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

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

| TABLE OF CONTENTS | PAGL |
|--|-------------|
| I. KEY SCHOOL INFORMATION AND MANAGEMENT..... | 2 |
| II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL..... | 7 |
| III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY | 15 |
| IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021 | 16 |
| V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021..... | 17 |
| VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021 | 19 |
| VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021 | 20 |
| VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021..... | 21 |
| IX. SIGNIFICANT ACCOUNTING POLICIES..... | 24 |
| X. NOTES TO THE FINANCIAL STATEMENTS..... | 27 |

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in **FEBRUARY 2011** under registration number PU/S/2/5787/11 and is currently categorized as a **Sub-County** public school established, owned or operated by the Government.

The school is a mixed day and boarding secondary school and had 353 students as at 30th June 2021. It has TWO streams and 18 TSC teachers & 1 teacher 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. | Charles M. Ngewa | Chairman -Rep of sponsor | 6 th June 2019 |
| 2. | Magdalene M. Ngumuta | Secretary - Principal | 3 RD September 2020 |
| 3. | Cosmas M. Mutunga | Member –Parents rep | 6th June 2019 |
| 4. | Albanus Kasivu | Member -Rep of sponsor | 6th June 2019 |
| 5. | Daniel M Kithae | Member- Parents rep | 6th June 2019 |
| 6. | Mutindi Matheka | Member – Rep of sponsor | 6th June 2019 |
| 7. | Francis Muithya | Member -Parents rep | 6th June 2019 |
| 8. | Robert Munyao | Member- CEB | 6th June 2019 |
| 9. | Georgina Kisilu | Member- Parents rep | 6th June 2019 |
| 10. | Titus Uswii | Member- Parents rep | 6th June 2019 |
| 11. | Angeline Mwau | Member -Special Needs | 6th June 2019 |
| 12. | Caren Makumi | Member -Rep Teachers | 6th June 2019 |
| 13. | Titus Munuve | Members - Parents rep | 6th June 2019 |
| 14. | Virginia Nduku | Member - Community | 6th June 2019 |
| 15. | Maureen Nyawira | Student's Rep | 6th June 2019 |

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

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

| ssRef: | Name of Committee | Names of Members | Designation | Number of meetings attended during the year |
|---------------|---|-------------------------|--------------------|--|
| 1 | Executive Committee | Charles M. Ngewa | Chairperson | 5 out of 5 |
| | | Magdalene Ngumuta | Secretary | |
| | | Titus Uswii | Member | |
| | | Angeline Mwau | Member | |
| | | Joseph Kitonga | Member | |
| 2 | Audit Committee | James Ngovi | Chairperson | 5 out of 5 |
| | | Arbanus Kasivu | Secretary | |
| | | Charles M. Ngewa | Member | |
| | | Magdalene Ngumuta | Member | |
| | | Joseph Kitonga | Member | |
| 3 | Finance, procurement and general purposes Committee | Daniel Mutunga | Chairperson | 5 out of 5 |
| | | Caren Makumi | Secretary | |
| | | Cosmas Mutunga | Member | |
| | | Damiana Matheka | Member | |
| | | Magdalene Ngumuta | Member | |
| 4 | Academic | Titus Uswii | Chairperson | 6 out of 6 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**P.O. BOX 415-90300, MAKUENI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the six months period ended 30th June 2021**

| | | | | |
|---|---|--------------------------|-------------------------|------------|
| | Committee | | | |
| | | Julius Kilonzo | Secretary | |
| | | Miriam Maweu | Member | |
| | | Caren Makumi | Member | |
| | | Maxwell Mutinda | Member | |
| | | Magdalene Ngumuta | Member | |
| 5 | Development Committee | Arbanus Kasivu | Chairperson | 7 out of 7 |
| | | Julius Kilonzo | Secretary | |
| | | Magdalene Ngumuta | Principal | |
| | | Virginia Kithome | B.O.M Member | |
| | | Joseph Musango | P.A. Chairperson | |
| | | SCDE Makueni | Member | |
| | | Georgina Kisilu | Member | |
| 6 | Discipline and welfare Committee | | Chairperson | 7 out of 7 |
| | | Charles Ngewa | | |
| | | Magdalene Ngumuta | Secretary | |
| | | Joseph Kitonga | Pa chairperson | |
| | | Titus Uswii | Member | |
| | | Julius Kilonzo | Deputy Principal | |
| | | Cosmas Mutunga | Member | |
| | | Miriam Maweu | Senior teacher | |
| 7 | Human Rights & Student's welfare committee | | Chairperson | 5 out of 5 |
| | | Maureen Nyawira | | |
| | | Caren Makumi | Secretary | |
| | | Julius Kilonzo | Member | |
| | | Miriam Maweu | Member | |
| | | Joseph Kitonga | Member | |
| 8 | Adhoc Committee (if any during the year) | | Chairperson | 5 out of 5 |
| | | Julius Kilonzo | | |
| | | Annah Muthoka | Secretary | |
| | | Eunice Maithya | Member | |
| | | Caren Makumi | Member | |
| | | Miriam Maweu | Member | |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

(d) School operation Management

For the six months period ended 30th June 2021 the School day-to-day management was under the following persons:

| Ref: | Designation | Name | TSC / ID Number |
|-------------|--------------------|-------------------------|------------------------|
| 1 | Principal | Magdalene Mbula Ngumuta | 290039 |
| 2 | Deputy Principal | Julius Ivongwe Kilonzo | 387583 |
| 3 | School Bursar | Annah Muthoka | 24495553 |

(e) Schools contacts

Post Office Box: **P.O. BOX 415-90300 Makueni**
 Telephone: +254702211859
 E-mail: nthangumixedsecondary@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

The school operates 6 bank accounts as listed below:

1. Name of Account : Tuition Account
 Bank & Branch : Equity - Wote Branch
 Account Number : 0670191953093
2. Name of Account : Operation Account
 Bank & Branch : Equity - Wote Branch
 Account Number : 0670291953046
3. Name of Account : Infrastructure Account
 Bank & Branch : Equity - Wote Branch
 Account Number : 0670280016124
4. Name of Account : School Funds Account
 Bank & Branch : Equity - Wote Branch
 Account Number : 0670295430967

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL

P.O. BOX 415-90300, MAKUENI

PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

For the six months period ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

- | | | | |
|----|-----------------|---|---------------------------|
| 5. | Name of Account | : | School Funds Account |
| | Bank & Branch | : | KCB - Wote Branch |
| | Account Number | : | 1283783096 |
| 6. | Name of Account | : | CDF Account |
| | Bank & Branch | : | Cooperative – Wote Branch |
| | Account number | : | 01139539660700 |

(g) Independent Auditors

Auditor General
Office of Auditor General
Anniversary Towers, University Way
P.O. Box 30084-00100
Nairobi, Kenya
Tel: +254-20-335777
Fax: +254-20-330829

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

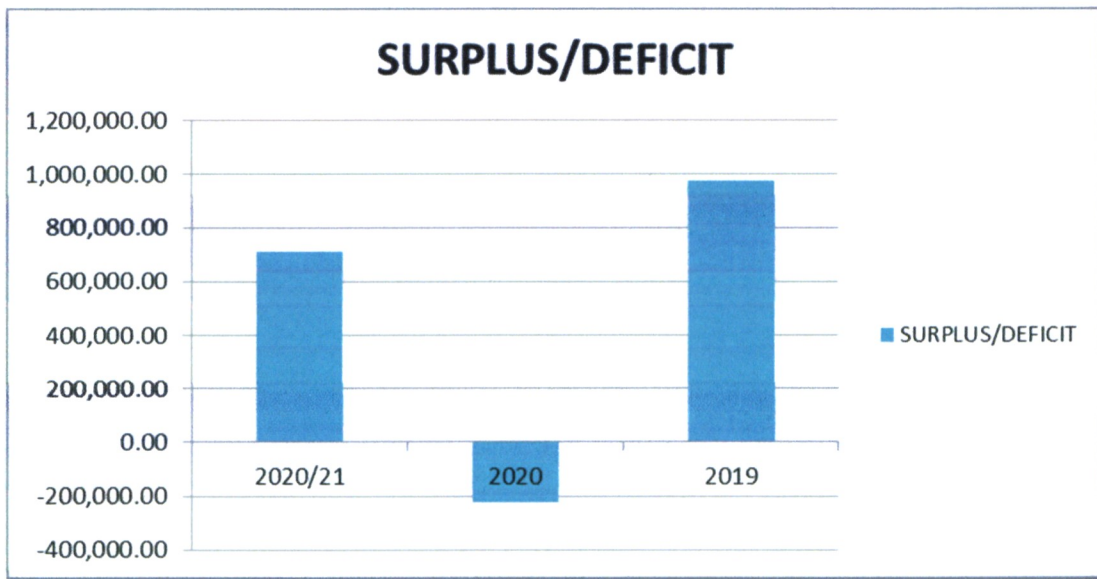
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) FINANCIAL PERFORMANCE:

a) SURPLUS/ DEFICIT

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|-----------------|---------|-----------|---------|
| SURPLUS/DEFICIT | 709,281 | (224,177) | 976,838 |
| RATIO % | 48% | -15% | 66% |

GRAPHICAL PRESENTATION.

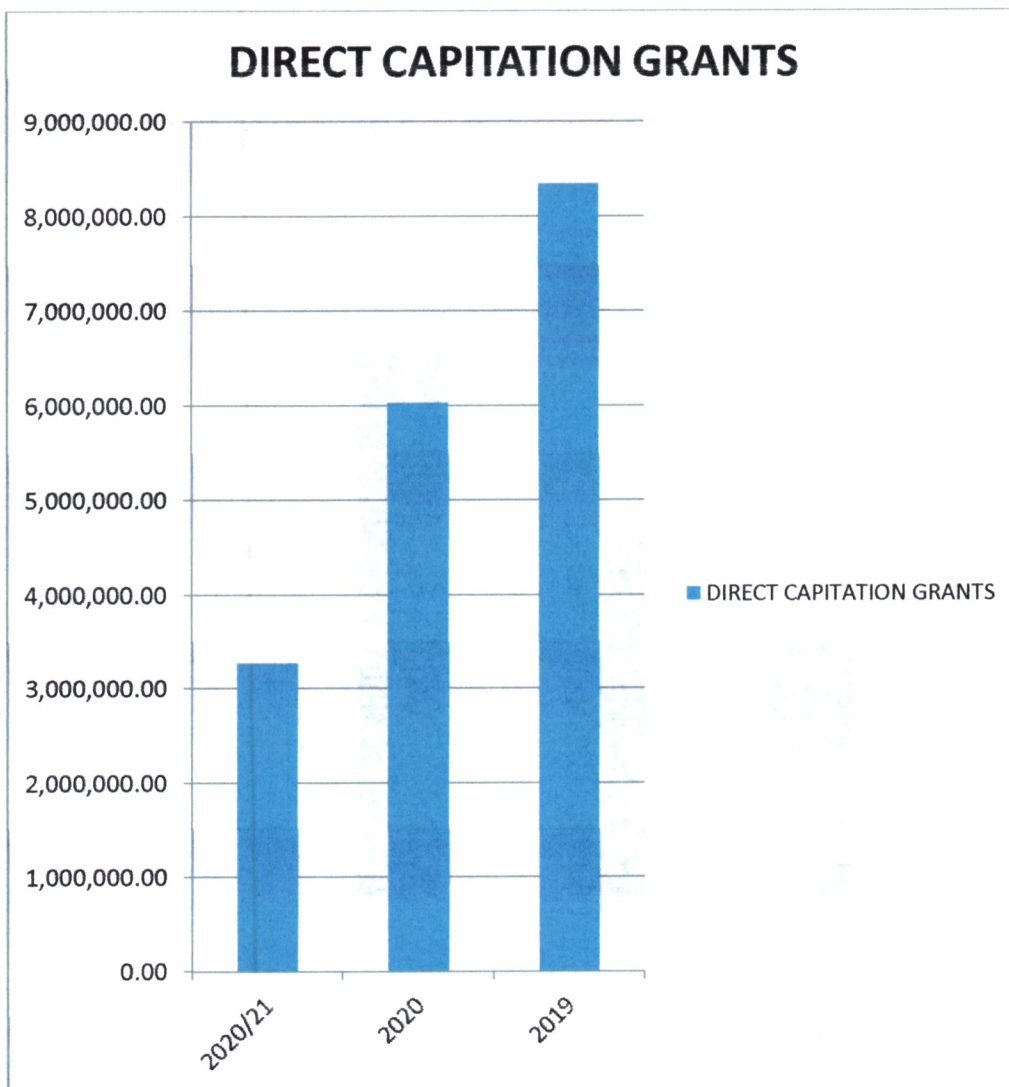


NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

b) CAPITATION GRANTS

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|---------------------------------|----------------|-------------|-------------|
| DIRECT CAPITATION GRANTS | 3,271,421 | 6,037,539 | 8,345,244 |
| RATIO % | 18% | 34% | 47% |

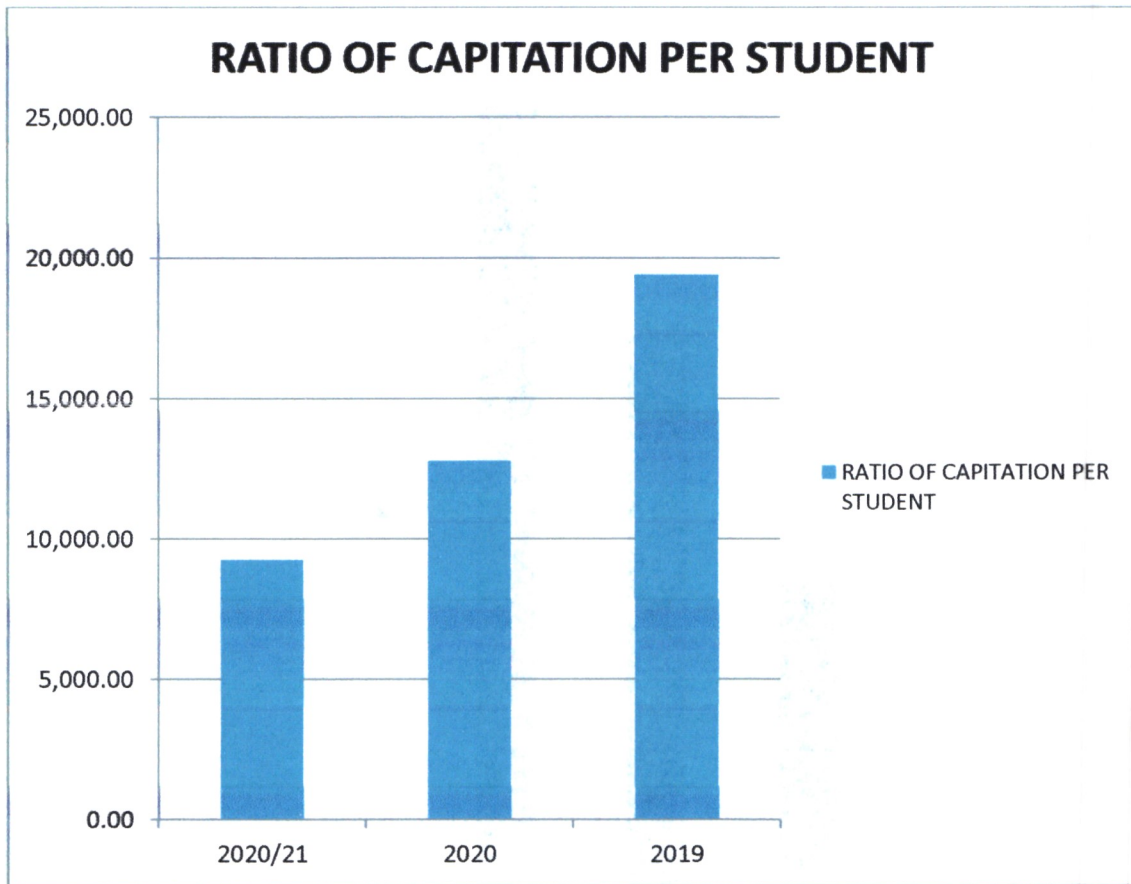
GRAPHICAL PRESENTATION.



c) RATIO OF CAPITATION PER STUDENT

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|---------------------------------|----------------|-------------|-------------|
| RATIO OF CAPITATION PER STUDENT | 9,267 | 12,764 | 19,407 |
| RATIO | 1 : 9,267 | 1 : 12,764 | 1 : 19,407 |

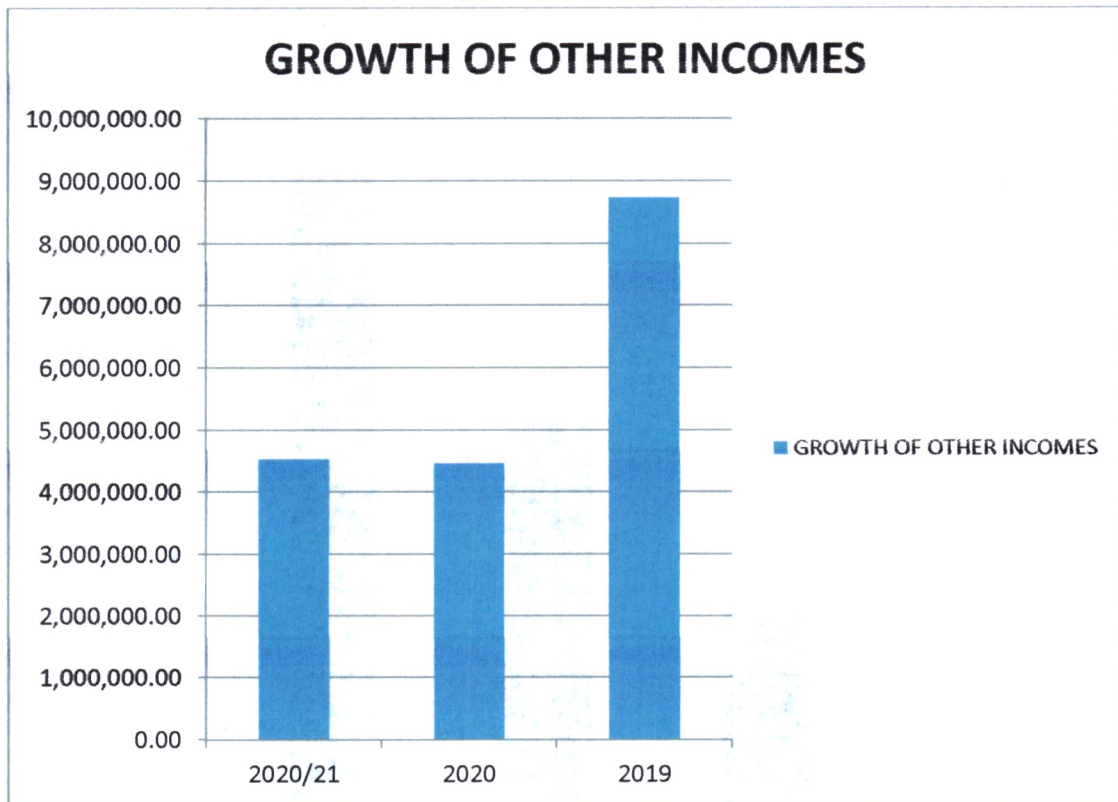
GRAPHICAL PRESENTATION.



d) OTHER INCOMES EARNED BY THE SCHOOL - PARENTS CONTRIBUTION.

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|-------------------------|----------------|-------------|-------------|
| GROWTH OF OTHER INCOMES | 4,533,842 | 4,463,162 | 8,736,668 |
| RATIO % | 25% | 25% | 49% |

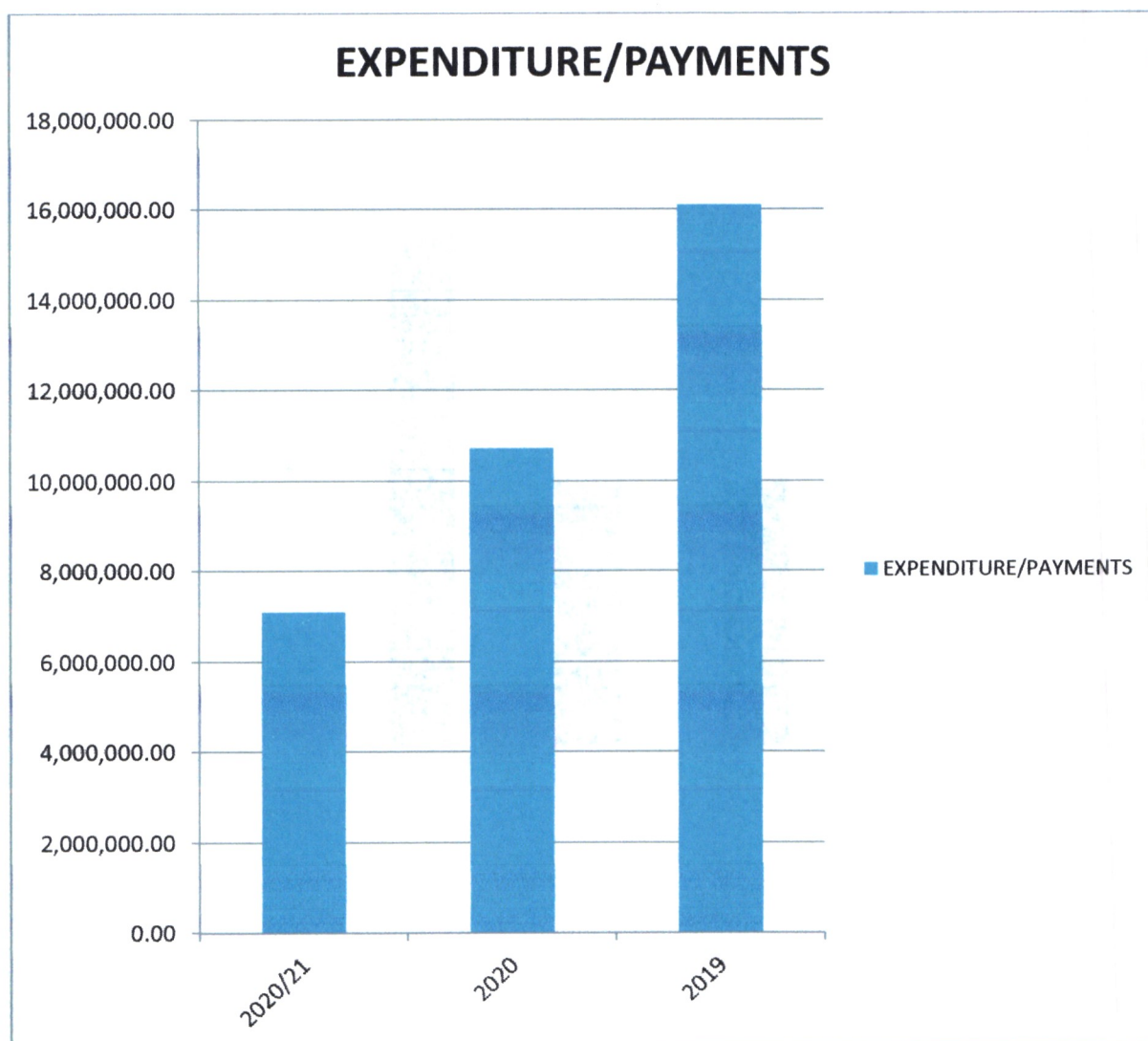
GRAPHICAL PRESENTATION.



e) EXPENDITURE

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|----------------------|----------------|-------------|-------------|
| EXPENDITURE/PAYMENTS | 7,095,982 | 10,724,878 | 16,105,074 |
| RATIO % | 20% | 31% | 47% |

GRAPHICAL PRESENTATION.

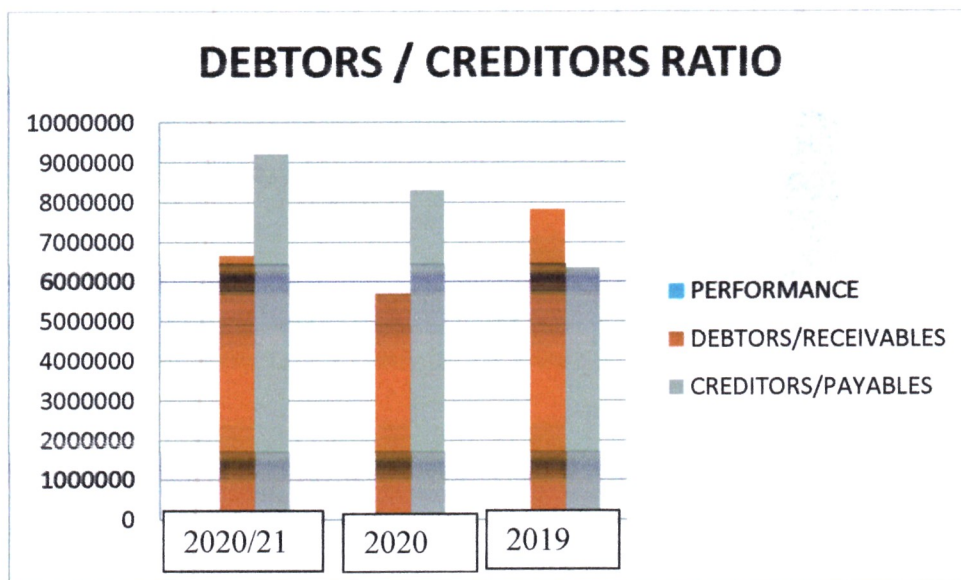


NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

f) DEBTORS

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|---------------------|----------------|-------------|-------------|
| DEBTORS/RECEIVABLES | 6,663,376 | 5,684,897 | 7,821,772 |
| CREDITORS/PAYABLES | 9,210,947 | 8,310,491 | 6,343,026 |
| RATIO | 1 : 1.38 | 1 : 1.46 | 1 : 0.81 |

GRAPHICAL PRESENTATION.

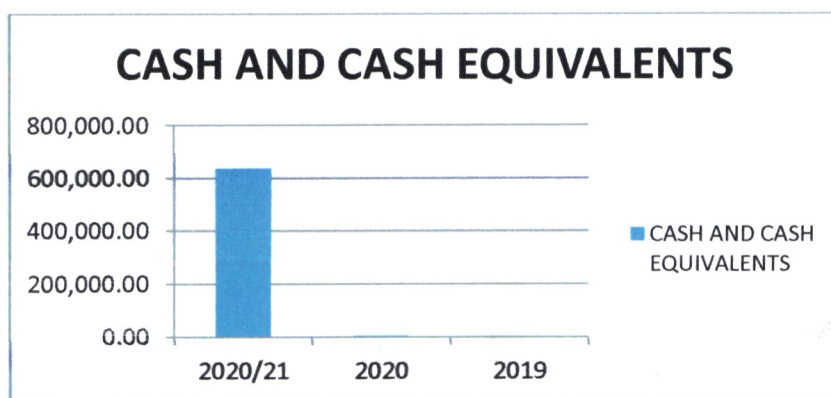


NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

g) CASH AND BANK BALANCES

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|---------------------------|---------|-------|-------|
| CASH AND CASH EQUIVALENTS | 637,769 | 6,511 | 2,061 |
| RATIO % | 98% | 1% | 0.32% |

GRAPHICAL PRESENTATION.



NON-FINANCIAL

| PERFORMANCE | 2020/21 | 2020 | 2019 |
|-----------------------|---------|--------|--------|
| ENROLLED STUDENTS | 353 | 473 | 430 |
| NUMBER OF TEACHERS | 18 | 17 | 16 |
| TEACHER-STUDENT RATIO | 1 : 20 | 1 : 28 | 1 : 27 |

KCSE PERFORMANCE

| | YEAR ENDED 2020 | YEAR ENDED 2019 | YEAR ENDED 2018 |
|------------------------------|--------------------|--------------------|--------------------|
| KCSE MEAN SCORE | 2.669 | 2.342 | 2.546 |
| KCSE MEAN GRADE | D | D- | D |
| TRANSITION TO UNIVERSITIES | 2 | - | 3 |
| TRANSITION TO OTHER COLLEGES | 103 | 108 | 105 |
| KCSE CANDIDATES | 105 | 108 | 108 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**P.O. BOX 415-90300, MAKUENI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the six months period ended 30th June 2021****b) CAPACITY OF THE SCHOOL:**

| | YEAR ENDED 30TH JUNE 2021 | YEAR ENDED 2020 | YEAR ENDED 2019 |
|------------------------------|--------------------------------------|----------------------------|----------------------------|
| ENROLLED STUDENTS | 353 | 473 | 430 |
| CLASSROOMS | 8 | 8 | 8 |
| LABORATORIES | 1 | 1 | 1 |
| DORMITORIES | 2 | 2 | 2 |
| DINING HALLS | 1 | 1 | 1 |
| BORE HOLES | - | - | - |
| ABLUTION BLOCKS | 29 | 28 | 28 |
| LAND WITH LEGAL OWNERSHIP | 1.87 Ha | 1.87 Ha | 1.87 Ha |

c) DEVELOPMENT PROJECTS CARRIED OUT BY THE SCHOOL:

| DEVELOPMENT PROJECT | FUND SOURCE | DATE | AMOUNT | STATUS |
|---------------------------------|--|-------------|------------------|---------------|
| RENOVATION OF DEPUTY'S HOUSE | SCHOOL FUND ACCOUNT/GVT CAPITATION | JAN 2021 | 276,610 | COMPLETE |
| 12 DOORS GIRLS TOILET | GVT CAPITATION | MAY 2021 | 1,145,860 | COMPLETE |
| RENOVATION OF STAFF TOILETS | GVT CAPITATION | MAY 2021 | 80,220 | COMPLETE |
| TOTALS | | | 1,493,690 | |

Sign



School Principal



NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of NTHANGU MIXED DAY AND SCEONDARY 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 30th June, 2021, and of the school's financial position as at that date.

Name: Charles M. Ngewa
Designation: Chairman, School Board of Management

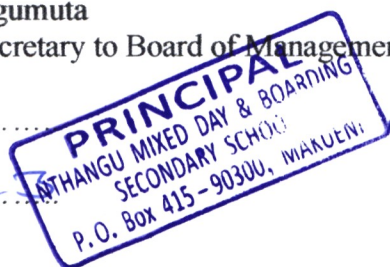
Sign: 

Date: 13/7/2023

Name: Magdalene Mbula Ngumuta
Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 13/7/2023



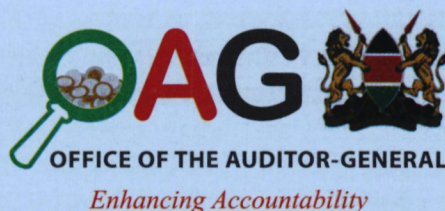
Name: Annah Muthoka
Designation: Bursar/ Finance Officer

Sign: 

Date: 13/7/2023

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 NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021-MAKUENI 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 Nthangu Mixed Day and Boarding Secondary School – Makueni County set out on pages 17 to 31, which comprise

of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the period then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nthangu Mixed Day and Boarding Secondary School as at 30 June, 2021, 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of receipts and payments reflects a balance of Kshs.709,281 in respect of surplus for the year which is at variance with the net increase in cash and cash equivalents balance of Kshs.631,258 reflected in the cash flows by Kshs.78,023. Further, the total receipts and total expenditures in the statement of receipts and payments of Kshs.7,805,263 and Kshs.7,095,952 are at variance with the amounts reflected in the statement of cash flows of Kshs.6,826,784 and Kshs.6,195,526 resulting to an unexplained variance of Kshs.978,479 and Kshs.900,426 respectively.

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

2. Unsupported School Fund Income

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects an amount of Kshs.4,533,842 relating to school fund income - parents' contributions, out of which an amount of Kshs.1,349,252 was not supported.

In the circumstances, the accuracy and completeness Kshs.4,533,842 in respect of school fund income- parents' contributions for the year ended 30 June, 2021 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects an amount of Kshs.6,663,376 relating to accounts receivables which, as disclosed in Note 9 to the financial statements, includes an amount of Kshs.4,593,424 which has been outstanding for more than two years and whose recoverability is doubtful.

In the circumstances, the recoverability of the Kshs.4,593,424 long outstanding accounts receivables as at 30 June, 2021 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of August 20, 2021, requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing the financial statements for longer period is due to the adoption of IPSAS for schools and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only six months for financial year 2020-2021 with comparative balances for financial year 2020. Therefore, the financial statements have not been prepared for eighteen (18) months as prescribed by the Public Sector Accounting Standards Board.

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to the longer period covered by the current financial period.

In the circumstances, Management did not comply with the prescriptions as issued by the Public Sector Accounting Standards Board.

2. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables of Kshs.9,210,947 as disclosed in Note 10 to the financial statements out of which an amount of Kshs.3,014,945 has been outstanding for more than two years. The outstanding amount includes statutory deductions with regards to the National Social Security Fund (NSSF) and Board of Management staff salaries of Kshs.30,996 and Kshs.643,250 respectively and which had not been cleared. This was contrary to Regulation 23(2)(a) of the Public Finance Management (National Government) Regulations which requires an Accounting Officer to comply with any tax, levy, duty, pension, commitments and audit commitments as may be provided for by legislation.

In the circumstances, the Management was in breach of the law for non-payment and remittance of dues.

3. Irregular Transfer of Funds

The School transferred funds totaling to Kshs.474,880 to the Kenya Secondary School Heads Association (KESSHA), a private entity that is not subject to the Public Finance Management Act, 2012. The organisation is a welfare organization that draws its membership from School Principals where the funds were paid from government operation capitation grants received by the School.

In the circumstances, the expenditure of Kshs.474,880 transferred to the Association could not be confirmed as a right charge to public funds.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and 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 (Accrual 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services unless the 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 the School 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 controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal 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 School's 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 appropriate 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 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 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 the 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

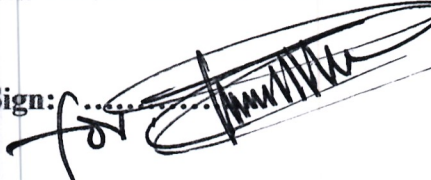
12 October, 2023

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE SIX MONTHS PERIOD TO 30TH JUNE 2021

| DESCRIPTION OF VOTE HEAD | Note | 2020/21 KShs | 2020 KShs |
|---|------|------------------|-------------------|
| RECEIPTS | | | |
| Capitation grants for tuition | 1 | 453,571 | 874,264 |
| Capitation grants for operations & infrastructure | 2 | 2,817,850 | 5,163,275 |
| School Fund Income- Parents' Contributions | 3 | 4,533,842 | 4,463,162 |
| | | | |
| TOTAL RECEIPTS | | 7,805,263 | 10,500,701 |
| PAYMENTS | | | |
| | | | |
| Payments for Tuition | 4 | 316,637 | 486,840 |
| Payments for operations and infrastructure | 5 | 2,702,502 | 3,367,134 |
| Boarding and school fund payments | 6 | 4,076,843 | 6,870,904 |
| | | | |
| TOTAL PAYMENTS | | 7,095,982 | 10,724,878 |
| | | | |
| SURPLUS/DEFICIT | | 709,281 | (224,177) |

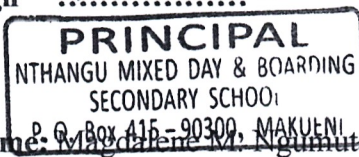
The school financial statements were approved on 13/7/2023 and signed by:

Sign: 


Name: Charles M. Ngewa
Chairman B.O.M

Date: 13/7/2023

Sign: 


PRINCIPAL
 NTHANGU MIXED DAY & BOARDING
 SECONDARY SCHOOL
 P. O. Box 415 - 90300, MAKUENI
 Name: Magdalene M. Ngumuta
 School Principal/
 Secretary to B.O.M

Date: 13/7/2023

Sign: 

Name: Annah Muthoka
Bursar/
Finance Officer

Date: 13/7/2023

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

| DESCRIPTION OF VOTE HEAD | Note | 2020/21 KShs | 2020 KShs |
|--|------|--------------------|--------------------|
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances | 7 | 637,599 | 5,897 |
| Cash Balances | 8 | 170 | 614 |
| Total Cash and Cash Equivalents | | 637,769 | 6,511 |
| Account's receivables | 9 | 6,663,376 | 5,684,897 |
| TOTAL FINANCIAL ASSETS | | 7,301,145 | 5,691,408 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable | 10 | (9,210,947) | (8,310,491) |
| NET FINANCIAL ASSETS | | (1,909,801) | (2,619,082) |
| REPRESENTED BY | | | |
| Fund balance B/fwd | 11 | (2,619,082.25) | (2,394,905) |
| Surplus/Defict for the year | | 709,281 | (224,177) |
| NET FINANCIAL POSITION | | (1,909,801) | (2,619,082) |

The School's financial statements were approved on 13th 7 2023 and signed by:

Name: Charles M. Ngewa
Chairman, BoM

Name:Magdalene M. Ngumuta
School Principal/Secretary to
BoM

Name: Annah Muthoka
Bursar/Finance

Sign: 

Sign: 

Sign: 

Date: 13th 7 2023

Date: 13th 7 2023

Date: 13th 7 2023



NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

VII. STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

| DESCRIPTION OF VOTE HEAD | | 2020/21 | 2020 |
|---|----------------|------------------|-------------------|
| | | KShs | KShs |
| Receipts from operating activities | | | |
| Capitation grants for tuition | 1 | 453,571 | 874,264 |
| Capitation grants for operations | 2 | 2,817,850 | 5,163,275 |
| School fund income- Parents contributions/ fees | 3a | 3,439,317 | 4,463,162 |
| School fund income-fees recovered | | 116,046 | - |
| Total receipts | | 6,826,784 | 10,500,701 |
| Payments | | | |
| Payments for Tuition | 4a | 214,590 | 486,840 |
| Payments for operations | 5a | 1,800,822 | 3,367,134 |
| Boarding and school fund payments | 6a | 2,317,515 | 6,870,904 |
| Creditors paid | | 960,919 | |
| Total Payments | | 5,293,846 | 10,724,878 |
| Net cash flow from operating activities | a | 1,532,938 | (224,177) |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | | | - |
| Acquisition of Assets | | (901,680) | - |
| Proceeds from investments | | - | - |
| Net cash flows from Investing Activities | b | (901,680) | - |
| NET CASHFLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings/ loans | | | |
| Repayment of principal borrowings | | | |
| Net cash flows from financing Activities | c | | |
| NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT | d=a+b+c | 631,258 | (224,177) |
| Cash and cash equivalents at BEGINNING of the year | e | 6,511 | 2,061 |
| Cash and cash equivalents at END of the year | f=e+d | 637,769 | 6,511 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**P.O. BOX 415-90300, MAKUENI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the six months period ended 30th June 2021****VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021**

| Receipt/expenses Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization |
|---|-----------------|-------------|--------------|----------------------------|-------------------------------|------------------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| | Kshs | Kshs | | | Kshs | Kshs |
| RECEIPTS | | | | | | |
| (1) CAPITATION GRANT ON TUITION | | | | | | |
| Teaching / learning materials | 453,571 | - | 453,571 | 453,571 | - | 100% |
| (2) CAPITATION GRANT ON OPERATIONS | | | | | | |
| Other Vote heads(administration cost, local transport &traveling personal elmolument,electricity water & conservancy) | 1,532,600 | - | 1,532,600 | 1,532,600 | - | 100% |
| Repairs Maintenance and Improvements | 1,285,250 | - | 1,285,250 | 1,285,250 | - | 100% |
| (3) FEES CHARGED ON PARENTS | | | | | | |
| Fee on Boarding Equipment and Stores | 3,400,000 | | 3,400,000 | 3,334,784 | - | 98% |
| Other Vote heads | 1,015,000 | - | 1,015,000 | 1,040,147 | - | 102% |
| Repairs and maintenance | 160,000 | - | 160,000 | 127,911 | - | 80% |
| Activity | 25,000 | - | 25,000 | - | - | - |
| Tender | | | | 31,000 | | |
| Fees arrears | 1,049,027 | | 1,049,027 | 116,046 | - | 11% |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

| Receipt/expenses Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization |
|---|------------------------|--------------------|---------------------|-----------------------------------|--------------------------------------|-------------------------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| | Kshs | Kshs | | | Kshs | Kshs |
| TOTAL INCOME | 8,920,448 | - | 8,920,448 | 7,805,263 | - | |
| G.TOTAL | | | | | | |
| (1) EXPENDITURE FOR TUITION | - | - | - | - | - | - |
| Textbooks and reference materials | 153,200 | - | 153,200 | - | - | - |
| Exercise books | 190,100 | - | 190,100 | - | - | - |
| Laboratory equipment | 108,700 | - | 108,700 | 104,960 | - | 97% |
| Internal exams | 201,200 | - | 201,200 | 210,357 | - | 105% |
| Teaching / learning materials | 24,000 | - | 24,000 | - | - | - |
| Chalks | 48,000 | - | 48,000 | - | - | - |
| Bank charges | | | | 1,320 | | |
| (2) EXPENDITURE FOR OPERATIONS | - | - | - | - | - | - |
| Other Vote heads(Administration, local transport & travelling, personal emolument and electricity water & conservancy) | 3,444,520 | - | 3,444,520 | 1,565,797 | - | 45% |
| Repairs Maintenance and Improvements | 1,015,000 | - | 1,015,000 | 901,680 | - | 89% |
| Activity | 487,500 | - | 487,500 | 200,330 | - | 41% |
| Medical and insurance | 227,500 | - | 227,500 | 31,155 | - | 14% |
| Bank charges | | | | 3,540 | | |
| (3) EXPENDITURE FOR SCHOOL FUND | - | - | - | - | - | - |
| Fee on Boarding | 2,285,480 | - | 2,285,480 | 1,888,263 | - | 113% |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**P.O. BOX 415-90300, MAKUENI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the six months period ended 30th June 2021**

| Receipt/expenses Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization |
|------------------------------|------------------------|--------------------|---------------------|-----------------------------------|--------------------------------------|-------------------------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| | Kshs | Kshs | | | Kshs | Kshs |
| Equipment and Stores | | | | | | |
| Other Voteheads | - | - | - | 1,345,480 | - | - |
| Repairs and maintenance | - | - | - | 800,590 | - | - |
| Tender | | | | 20510 | | |
| Activity | | | | 22000 | | |
| TOTALS EXPENDITURE | 8,185,200 | - | 8,185,200 | 7,095,982 | - | - |

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

- i. Tuition Account Was purely funded through only one votehead – Teaching and learning material / resources
- ii. Budgeting Was made / passed with assumption that all funds budgeted were to be collected in total

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The school recognises all receipts from the various sources when the event occurs and not necessarily when the related cash has actually been received by the school. In addition, the school recognises all expenses when the event occurs and not necessarily when the related cash has actually been paid out by the school.

3. In-kind contributions

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

4. Cash and cash equivalents

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

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL

P.O. BOX 415-90300, MAKUENI

PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

For the six months period ended 30th June 2021

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

| Description | 2020/21 | 2020 |
|-------------------------------|----------------|----------------|
| | KShs | KShs |
| Teaching / learning materials | 453,571 | 874,264 |
| Total | 453,571 | 874,264 |

2 CAPITATION GRANT FOR OPERATIONS

| Description | 2020/21 | 2020 |
|-------------------------|------------------|------------------|
| | KShs | KShs |
| Other Vote heads | 1,532,600 | 2,806,444 |
| Repairs and maintenance | 1,285,250 | 2,073,151 |
| Medical | - | 94,560 |
| Activity | - | 189,120 |
| Total | 2,817,850 | 5,163,275 |

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

| Description | 2020/21 | 2020 |
|--------------------------------------|---------------------|------------------|
| | KShs | KShs |
| Fee on Boarding Equipment and Stores | 3,334,784 | 3,164,572 |
| Repairs and maintenance | 127,911 | 177,990 |
| Other Vote heads | 1,040,147 | 1,095,461 |
| Tenders | 31,000 | - |
| Activity | - | 25,139 |
| Total | 4,533,842.00 | 4,463,162 |

3a PARENTS CONTRIBUTIONS /FEES- SCHOOL FUND ACCOUNT

Cashflow adjustments

| | |
|------------------------------|------------------|
| Totals as per 3 above | 4,533,842 |
| Less: debtor list | 1,094,525 |
| Total | 3,439,317 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

4 PAYMENTS FOR TUITION

| Description | 2020/21 | 2020 |
|-------------------------------|----------------|----------------|
| | KShs | KShs |
| Laboratory equipment | 104,960 | - |
| Internal exams | 210,357 | - |
| Teaching / learning materials | - | 483,840 |
| Bank Charges | 1,320 | 3,000 |
| Total | 316,637 | 486,840 |

4a PAYMENTS FOR TUITION

Cashflow adjustments

| | |
|------------------------------|----------------|
| Totals as per 4 above | 316,637 |
| Less: creditor | 102,047 |
| Total | 214,590 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

5 PAYMENTS FOR OPERATIONS

| Description | 2020/21 | 2020 |
|--|------------------|------------------|
| | KShs | KShs |
| Other Vote heads | 1,565,797 | 2,009,635 |
| Repairs and maintenance & improvements | - | 1,115,275 |
| Medical | 31,155 | 4,834 |
| Activity Expenses | 200,330 | 237,390 |
| Bank Charges | 3,540 | - |
| Infrastructure grant / Acquisition of Assets | 901,680 | - |
| TOTAL | 2,702,502 | 3,367,134 |

5a PAYMENTS FOR OPERATION AND INFRASTRUCTURE ACCOUNT
CASH FLOW ADJUSTMENTS

| | |
|---|------------------|
| Totals as per 5 above | 2,702,502 |
| Less: Infrastructure grant-ABLUTION BLOCK | 901,680 |
| | 1,800,822 |

6 BOARDING AND SCHOOL FUND PAYMENTS

| Description | 2020/21 | 2020 |
|--|------------------|------------------|
| | KShs | KShs |
| School Fund Account/Boarding | 1,888,263 | 3,388,407 |
| Others Vote Heads | 1,345,480 | 2,978,547 |
| Repairs and maintenance & Improvements | 800,590 | 436,550 |
| Tenders | 20,510 | - |
| Activity | 22,000 | 67,400 |
| TOTAL | 4,076,843 | 6,870,904 |

6a BOARDING AND SCHOOL FUNDS PAYMENTS

| | |
|-----------------------|------------------|
| Totals as per 6 above | 4,076,843 |
| Less: Creditors | 1,759,328 |
| | 2,317,515 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

7 BANK ACCOUNTS

| Name of Bank, Account No. & currency | Bank Account Number | 2020/21 | 2020 |
|--|---------------------|----------------|--------------|
| | | KShs | KShs |
| Tuition Account - Equity - Wote | 0670191953093 | 240,267 | 1,286 |
| Operations Account - Equity - Wote | 0670291953046 | 66,295 | 1,711 |
| School Fund Account/Boarding - Equity - Wote | 0670295953967 | 210,594 | 1,138 |
| School Fund Account/Boarding-Kcb - Wote | 1283783096 | 67,901 | - |
| CDF Account - Cooperative Wote | 01139539660700 | 1,762 | 1,762 |
| Infrastructure Account - Equity - Wote | 0670280016124 | 50,780 | - |
| Total | | 637,599 | 5,897 |

8 CASH IN HAND

| Description | 2020/21 | 2020 |
|---------------------|------------|------------|
| | KShs | KShs |
| Operation Account | 4 | 20 |
| School Fund account | 166 | 594 |
| Total | 170 | 614 |

9 ACCOUNTS RECEIVABLE

| Description | 2020/21 | 2020 |
|--------------|------------------|------------------|
| | KShs | KShs |
| Fees arrears | 6,663,376 | 5,684,897 |
| Total | 6,663,376 | 5,684,897 |

Included below is an ageing of the fees / non fees arrears

| Description | 2020/21 | 2020 |
|---|------------------|------------------|
| | KShs | KShs |
| Fees arrears for current year | 1,094,525 | 1,175,427 |
| Fees arrears for the previous year | 975,427 | 661,858 |
| Fees arrears for prior periods (over two years) | 4,593,424 | 3,847,612 |
| Total | 6,663,376 | 5,684,897 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

10 ACCOUNTS PAYABLE

| Description | 2020/21 | 2020 |
|---|------------------|------------------|
| | KShs | KShs |
| Trade creditors (See ageing below and appendix 1) | 9,210,947 | 8,310,491 |
| Total | 9,210,947 | 8,310,491 |

Included below is an ageing of the creditor's arrears

| Description | 2020/21 | 2020 |
|--|------------------|------------------|
| | KShs | KShs |
| Trade creditors for current year | 1,861,375 | 4,334,627 |
| Trade creditors for the previous year | 4,334,627 | 1,976,419 |
| Trade creditors for prior periods (over two years) | 3,014,945 | 1,999,445 |
| Total | 9,210,947 | 8,310,491 |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**P.O. BOX 415-90300, MAKUENI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the six months period ended 30th June 2021****11 FUND BALANCE BROUGHT FORWARD**

| Description | NOTES | 2020/21 | 2020 |
|--------------------------|-------|--------------------|--------------------|
| | | KShs | KShs |
| Bank balances | 7 | 5,898 | 3,012 |
| Cash balances | 8 | 614 | 812 |
| Receivables | 9 | 5,684,897 | 4,628,576 |
| Payables | 10 | (8,310,491) | (7,027,305) |
| Total 11=7+8+9-10 | | (2,619,082) | (2,394,905) |

Other important disclosure notes

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

12 Biological assets

| Description | Numbers | 2020/21 | 2020 |
|--------------|---------|----------------|----------------|
| | | KShs | KShs |
| Trees | | 650,000 | 550,000 |
| Total | | 650,000 | 550,000 |

13 Stock/ Inventory

| Description | 2020/21 | 2020 |
|--|------------------|------|
| | KShs | KShs |
| a) Stock/inventory | | |
| Stock/ inventory at beginning of the year | - | - |
| Stock/ inventory purchased during the year | - | - |
| Stock/ inventory issued during the year | - | - |
| Balance at end of the year | 2,454,616 | - |

14 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

| Ref No. | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|----------------|--|----------------------------|--|---|
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NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2021 | Outstanding Balance 2020 | Comments |
|----------------------------------|-----------------|-----------------|---------------------|--------------------------|--------------------------|-------------------------|
| | A | B | c | d=a-c | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Construction of buildings | | | | | | |
| 1. | | | | | | |
| Sub-Total | | | | | | |
| Supply of goods | | | | | | |
| 2. AFRIQUE VISION | 90,225 | 2020 | | 90,225 | | VEGETABLES |
| 3. ALISON PRODUCTS | 54,000 | 2020 | | 54,000 | | TERMITE KILLER |
| 4. CHANGE LTD | 1,141,618 | 2020 | | 1,141,618 | | EXERCISE BOOKS |
| 5. DANI FOOD STORE | 344,990 | 2021 | | 344,990 | | FOODSTUFF |
| 6. DANI FOOD STORE | 232,700 | 2021 | | 232,700 | | WATER |
| 7. CLIFFJO ENTERPRISES | 14,000 | 2019 | | 14,000 | | CLASS PONDUM STAND |
| 8. DANSTER ENTERPRISES | 1,026,235 | 2020 | | 1,026,235 | | BAKLIN/KEROL/FIRE.ESTQ. |
| 9. DEVIK INVESTMENT | 439,200 | 2020 | | 439,200 | | CABINET/LOCKERS /CHAIR |
| 10. DILEVAE ENTERPRISES | 37,503 | 2021 | | 37,503 | | VEGETABLES |
| 11. DOPHA VENTURES | 60,512 | 2021 | | 60,512 | | STATIONERY |
| 12. DOROTHY MUIA | 132,100 | 2020 | | 132,100 | | FIREWOOD |
| 13. ELIDOS GEN.SUPPLIES | 39,000 | 2020 | | 39,000 | | KEROL/DESINFECTANT |
| 14. FANDI GENERAL | 192,950 | 2021 | | 192,950 | | FOODSTUFF |
| 15. GOSHEN MEGA SUPPLIERS | 31,400 | 2020 | | 31,400 | | REVISION BOOKS |
| 16. HOME HEALTH(MRS MUTHOKA) | 61,200 | 2019 | | 61,200 | | REF BOOKS |
| 17. JOFENE ENTERPRISES | 23,070 | 2020 | | 23,070 | | BREAD |
| 18. JOKIM INVESTMENT | 293,855 | 2019 | | 293,855 | | LAB MATERIALS |
| 19. JOYZIBO | 80,000 | 2020 | | 80,000 | | WATER |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2021 | Outstanding Balance 2020 | Comments |
|--------------------------------|------------------|-----------------|---------------------|--------------------------|--------------------------|---------------------|
| ENTERPRISES | | | | | | |
| 20. LINKUP CONCEPTS | 753,623 | 2019 | | 753,623 | | STATIONARY |
| 21. MALIKITI IMANI | 23,760 | 2020 | | 23,760 | | EGGS |
| 22. MALIKITI IMANI ENTERPRISES | 182,000 | 2020 | | 182,000 | | WATER |
| 23. MARIDADI G HARDWARE | 387,510 | 2021 | | 387,510 | | BUILDING MATERIALS |
| 24. MUMU HARDWARE | 668,160 | 2021 | | 668,160 | | BUILDING MATERIALS |
| 25. MUMU SUPERMARKET | 153,155 | 2020 | | 153,155 | | FOODSTUFF |
| 26. MUTINDA KITAVI | 53,960 | 2020 | | 53,960 | | MILK |
| 27. NDUUMONI ENTERPRISES | 44,640 | 2020 | | 44,640 | | VEGETABLES |
| 28. PEKILO STORES | 194,000 | 2019 | | 194,000 | | FOOD STUFF |
| 29. PETER & JULIET | 435,029 | 2018 | | 435,029 | | WATER |
| 30. REAL FAITH PUBLISHER | 51,250 | 2019 | | 51,250 | | REVISION TEXT BOOKS |
| 31. ROSINA MERCHANTS | 48,000 | 2021 | | 48,000 | | FIREWOOD |
| 32. SCHOOL CANTEEN | 31,375 | 2018 | | 31,375 | | BREAD |
| 33. SHIMO C. BUTCHERY | 96,950 | 2020 | | 96,950 | | MEAT |
| 34. SIMPLE LIVING STORE | 360,000 | 2020 | | 360,000 | | MAIZE/BEANS |
| 35. STEPHEN NZIOKI | 7,320 | 2020 | | 7,320 | | FRUITS |
| 36. TITUS KYOVE | 4,420 | 2020 | | 4,420 | | FRUITS |
| 37. TRINITY SPORTS | 41,850 | 2020 | | 41,850 | | GAMES ACCESSORIES |
| 38. VINCENT MULI | 55,500 | 2020 | | 55,500 | | GREENGRAM |
| 39. VIRGINIA KITHOME | 2,000 | 2020 | | 2,000 | | KEROL/DESINFECTANT |
| 40. WARAKA BUTCHERY | 87,710 | 2021 | | 87,710 | | MEAT |
| 41. WYLE VENTURES | 32,796 | 2020 | | 32,796 | | STATIONARY |
| 42. WYLE VENTURES | 240,000 | 2020 | | 240,000 | | MAIZE |
| Sub-Total | 8,249,566 | | | 8,249,566 | | |
| Supply of services | | | | | | |
| 43. BONIFACE WAMBUA | 60,000 | 2020 | | 60,000 | | REPAINTING |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2021 | Outstanding Balance 2020 | Comments |
|-------------------------------|-----------------|-----------------|---------------------|--------------------------|--------------------------|--------------------------|
| 45. PLASMA POSHO MILL | 61,155 | 2019 | | 61,155 | | MILLING SERVICE |
| 46. ROSE NDULULU | 3,300 | 2020 | | 3,300 | | SALARIES ARREARS |
| 47. NSSF | 30,996 | 2020 | | 30,996 | | SALARIES ARREARS |
| 48. MWANGAZA ELECTRICALS | 52,600 | 2020 | | 52,600 | | ELECTRICITY INSTALLATION |
| 49. MWERE VENTURES | 11,210 | 2020 | | 11,210 | | POSHOMILL SERVICES |
| 50. MATRIX BS CONSULTANT | 74,870 | 2020 | | 74,870 | | INTERNET SERVICES |
| 51. APRIL 2020 - SALARIES | 197,750 | 2020 | | 197,750 | | SALARIES ARREARS |
| 52. MAY 2020 - SALARIES | 197,750 | 2020 | | 197,750 | | SALARIES ARREARS |
| 53. MR KALELI | 25,000 | 2020 | | 25,000 | | SALARIES ARREARS |
| 54. MRS MUKAVU | 25,000 | 2020 | | 25,000 | | SALARIES ARREARS |
| 55. JUNE 2020 – SALARIES | 197,750 | 2020 | | 197,750 | | SALARIES ARREARS |
| 56. JUSTUS MULWA | 10,000 | 2020 | | 10,000 | | SALARIES ARREARS |
| 57. FRANCIS MUYANGA | 10,000 | 2020 | | 10,000 | | SALARIES ARREARS |
| Sub-Total | 961,381 | | | 961,381 | | |
| Others | | | | | | |
| 58. | | | | | | |
| Sub-Total | | | | | | |
| Grand Total | | | | 9,210,947 | | |

NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL
P.O. BOX 415-90300, MAKUENI
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

| Asset class | Date purchased year | Location | Historical Cost b/f (Kshs) 1 st July 2020 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30 th June 2021 |
|--|---------------------|--------------------|--|----------------------------------|----------------------------------|---|
| Land 1 | 2008 | Makueni Sub-County | 6,500,000 | - | - | 6,500,000 |
| Buildings and structures | 2020 | School Compound | 21,000,000 | - | - | 21,000,000 |
| Motor vehicles | - | - | - | - | - | - |
| Office equipment, furniture and fittings | 2019 | School Premises | 3,000,000 | - | - | 3,000,000 |
| ICT Equipment, and Other ICT Assets | 2018 | School Premises | 750,000 | - | - | 750,000 |
| Tools and apparatus | 2018 | School Premises | 2,000,000 | - | - | 2,000,000 |
| Other Machinery and Equipment | 2018 | School Premises | 350,000 | - | - | 350,000 |
| Heritage and cultural assets | - | - | - | - | - | - |
| Intangible assets- software | 2018 | School Premises | 100,000 | - | - | 100,000 |
| Total | | | 33,700,000 | - | - | 33,700,000 |