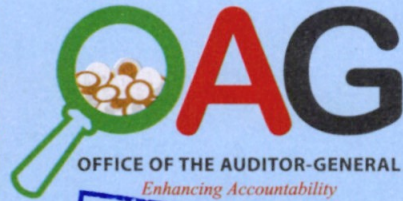


REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

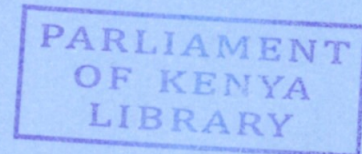
REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 16 JUN 2026	DAY: Thursday
TABLED BY:	Hon. Narmie Wago, CBS, MP (Deputy Majority Party Whip)
CLERK-AT THE TABLE:	Comrade

THE AUDITOR-GENERAL

ON

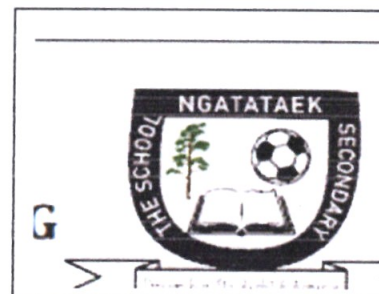


**NGATATAEK MIXED BOARDING
SECONDARY SCHOOL**

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

KAJIADO COUNTY

Revised 30th June 2023.



Ngatataek Mixed Secondary School

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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1. Acronyms and Glossary of Terms

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

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

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 in Kajiado County, Kajiado Central Sub-County.

The school was registered in 09/2016 under registration number xxx and is currently categorized as a county public school established, owned or operated by the Government.

The school is a day/boarding school and had 216 number of students as at 30th June 2022. It has 2 streams and 11 teachers of which 3 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Kispam Mosiany	Chairman	24th/08/2023
2	Mr. Peter Gathaga	Secretary - Principal	24th/08/2023
3	Mrs. Virginia Sabaya	Member	24th/08/2023
4	Pst. William Siparo	Member	24th/08/2023
5	Mr. Peter Ntasikoi	Member	24th/08/2023
6	Mr. Humphrey Kateri	Member	24th/08/2023
7	Md. Gladys Tito	Member	24th/08/2023
8	Mr. Moses Minchil	Member – Rep CEB	24th/08/2023
9	Mrs. Everlyn Kendi	Member Rep Teachers	24th/08/2023
10	Mr. Sankale Tarakei	3 Members - Sponsor	24th/08/2023
11	Mrs. Ann Tobiko	Member - Community	24th/08/2023
12	David Tukei	Member Special Needs	24th/08/2023
13	Mr. Hosea Koinanke	Rep Students	24th/08/2023

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 25 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Kispian Mosiany Mr. Peter Gathaga Mrs. Virginia Sabaya	Chairman Secretary Member	3 out of 3 For all
2	Audit Committee	Md. Ann tobiko Mrs. Virginia Sabaya Mr. Moses Minchil Md. Gladys Tito Md. Lilian Kiria Mr. Humphrey Kateri	Chairman Secretary Member Member Member Member	3 out of 3
3	Finance, procurement and general purposes Committee	Md. Ann tobiko Mrs. Virginia Sabaya Mr. Moses Minchil Md. Gladys Tito Md. Lilian Kiria	Chairman Secretary Member Member Member	3 out of 3

		Mr. Humprey kateri	Member	
4	Academic Committee	Mr. Ntasikoi Dr. Kimaru Mr. Mooke Mr. David tuke Mr. William siparo Mr. lemama	Chairman Secretary Member Member Member Member	2 out of 2
5	Development Committee	Rev sankale SCDE Mr. Gichuki Mr. Peter gathaga Md. Monica murage Mr. Kispan mosiany Mr. Humprey kateri Md. Tito Gladys	Chairman Secretary Member Member Member Member Member	2 out of 2
6	Discipline and welfare Committee	Mr. Ntasikoi Peter Dr. Kimaru Mr. Mooke Mr. David tukei Mr. William siparo Mr. Lemama	Chairman Secretary Member Member Member Member Member	2 out of 2
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr. Peter gathaga	TSC No. 305257
2	Deputy Principal	Mrs. Monicah murage	TSC No. 335142
3	School Bursar	Mr. Benard M. Kakeempe	ID 23239039
4	Other (specify)		

(e) Schools contacts

Post Office Box: 368-0207 NAMANGA , KENYA
 Telephone: 07226268161
 E-mail: ngatataeksecondary368@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: Equity
 Branch: Namanga
 Account Number: 0850270385666-fund
2. Name of Bank: K.C.B
 Branch: Namanga
 Account Number: 11356974334- fund
3. MPESA Pay Bill No. 385666 attached to Equity bank account
4. Name of Bank: K.C.B
 Branch: Namanga
 Account Number: 1132796121 -tuition
5. Name of Bank: Equity
 Branch: Namanga
 Account Number: 0850298902813- operation
6. Name of bank: Equity
 Branch: Namanga
 Account number: 0850279064019- infrastructure

(g) Independent Auditors

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

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:

Surplus/ deficit for the year and a comparison of the same for the last three years

YEAR	2020-2021	2021-2022	2022-2023
	(4,038,254)	1,889,299	(2,058,490)

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

YEAR	2020-2021	2021-2022	2022-2023
FSE-TUITION	226,701	369,688	334,493
FSE-OPERATION	1,416,806	2,535,962	1,592,681

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

Other income growth	2020-2021	2021-2022	2022-2023
income	0	3,138,117	139,739

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

YEAR	2020-2021	2021-2022	2022-2023
EXPENDITURE GROWTH	9,453,381	11,096,085	12,404,689

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

YEAR	2020-2021	2021-2022	2022-2023
DEBTORS	2,427,497	2,790,639	2,683,302
CREDITORS	9,814,859	9,052,603	10,650,163

Ngatataek Mixed Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

b) Teacher Student ratio:

<i>YEAR</i>	<i>2020-2021</i>	<i>2021-2022</i>	<i>2022-2023</i>
<i>Teacher/Student ratio</i>	<i>1:16</i>	<i>1:16</i>	<i>1:17</i>
<i>Teachers recruited</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Teachers posted</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Teachers transferred/retired</i>	<i>0</i>	<i>1</i>	<i>0</i>
<i>Bom teachers</i>	<i>3</i>	<i>3</i>	<i>3</i>

c) Mean score in the 2023 KCSE:

<i>YEAR</i>	<i>2020-2021</i>	<i>2021-2022</i>	<i>2022-2023</i>
<i>Mean score</i>	<i>2.56</i>	<i>2.35</i>	<i>2.44</i>
<i>No. of candidates</i>	<i>45</i>	<i>37</i>	<i>44</i>
<i>transitioned</i>	<i>14</i>	<i>17</i>	

d) Number of Candidates in the 2023 KCSE:

NB/ Refer to table C above.

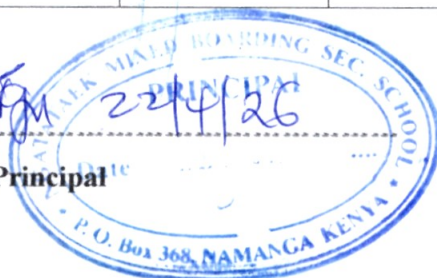
e) Capacity of the school:

<i>structure</i>	<i>dormitories</i>	<i>Dinning hall</i>	<i>laboratories</i>	<i>classes</i>	<i>library</i>	<i>toilets</i>
<i>No. of student</i> <i>227</i>	<i>3</i>	<i>0</i>	<i>1</i>	<i>6</i>	<i>0</i>	<i>10</i>

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Toilet Blocks	FSE & RMI	Ongoing	1,485,975	263,800	2024 December
Premeter wall	FSE	Completed	175,400	185,450	Completed
Beds	FSE & RMI	Complete	297,000	298,630	Completed

School Principal



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 *Ngatataek mixed sec 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, 2023, and of the school's financial position as at that date.

Mr. Kispian Mosiany

.....
 22/4/2023

Designation: Chairman, School Board of Management

Date: 14th /09 /2023

Mr. Peter Gathaga

.....
 22/4/2023
Designation: School Principal & Secretary to Board of Management
Date: 14th /09 /2023
DEPT
P. O. Box 368-00207, NAMANGA

Mr. Benard M. Kakeempe

.....
 22/4/2023

Designation: Bursar/ Finance Officer

Date: 14th /09 /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 NGATATAEK MIXED BOARDING SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - KAJIADO COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ngatataek Mixed Boarding Secondary School set out on pages 1 to 20, which comprise of the statement of assets

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

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

Basis for Qualified Opinion

1. Unsupported Personnel Emoluments

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflect amount of Kshs.8,995,638 in respect payment of boarding and school fund. Included in the amount is personnel emolument amount of Kshs.1,921,446 which was not supported by the scheme of service for non-teaching staff and Board of Management approval minutes.

In the circumstances, the accuracy and completeness of personnel emolument could not be confirmed.

2. Unsupported Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.2,685,502 in respect of fees arrears. The amount has been outstanding for over one (1) year. However, supporting schedules for the long outstanding receivables was not provided for audit review. Further, no policy on the impairment of long outstanding fees arrears was provided casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the accuracy and completeness of the account receivables balance of Kshs.2,685,502 could not be confirmed.

3. Unsupported Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.10,650,163. However, included in the balance are trade payables balance of Kshs.8,742,776 which has been outstanding for more than 3 years. and was not supported by adequate records such as invoices, local purchase orders and contracts.

In the circumstances, the accuracy and completeness of the account receivables balance of Kshs.10,650,163 could not be confirmed.

4. Non-Disclosure/Capitalization of Assets

The financial statements and disclosed in Annex 2 to the financial statements reflects summary of fixed assets register which has disclosed nil historical cost. However, no supporting fixed assets register was provided for audit review. Further, Management did not recognize fixed assets procured during the year under infrastructure of Kshs.740,480 as additional assets during the year.

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

5. Material Uncertainty Related to Going Concern

The statement of receipts and payments reflects a deficit of Kshs.2,058,490 Further, the Statement of Assets and Liabilities reflects current assets and current liabilities balances of Kshs.3,238,304 and Kshs.10,650,163 respectively, resulting to a negative working capital of Kshs.7,411,859. However, this material uncertainty relating to the going concern was not disclosed in form of a note in the financial statements. The school's ability to continue as a going concern and the ability to settle debts is dependent on Government capitation and its creditors.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ngatataek Mixed Boarding 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects budgeted and actual receipt amounts on comparable basis of Kshs.13,637,316 and Kshs.10,346,199 respectively, resulting to underfunding of Kshs.3,291,117 or 24% of the budget. Similarly, the School spent an amount of Kshs.12,404,689 against actual receipts amount of Kshs.10,346,199 resulting in an over-utilization of Kshs.2,058,490 or 17% of actual receipts. The underfunding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

Further, there were no explanatory notes for deviations of 10% and above on the components in the statement of budgeted versus actual amounts while items not budgeted were included in the statement.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the year ended 30 June, 2023 was received on 02 March, 2026, two (2) years and five (5) months after the statutory date of 30 September, 2022. This was contrary to Regulation 101(4) of the Public Finance Management (National Government) Regulations, 2015 that states that an Accounting Officer shall prepare and submit financial statements within three months after the closure of financial year. Late submission of financial report adversely affects the Office of the Auditor- General in meeting the statutory timelines.

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

2. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects operations capitation grants of Kshs.1,592,681 for year under review. Included in the amount is Kshs.778,000 in respect to infrastructure grants. However, only an amount of Kshs.739,000 was transferred to infrastructure account from operations account resulting to an un explained variance of KShs.39,000. Further, an amount of Kshs.739,000 was not transferred within 15 days of receipt in operations account in contravention to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3-2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt in the operations account. Failure to transfer funds to the school infrastructure account from operation account denies the school money for infrastructure improvement.

In the circumstances, Management was in breach of the Ministry of Education circular.

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

The statement of receipts and payments as disclosed in Note 9 to the financial statements reflects boarding and school fund expenditure amount of Kshs.8,995,638. Included in the expenditure is an amount of Kshs.265,355 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from school principals, only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools as provided in Regulation 23(2)(c) of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstance, Management was in breach of the law and value for money transferred could not be ascertained.

4. Failure to Prepare School Improvement Plan

During the year under review, the School operated without an Approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of Ministry of Education Operation Manual.

5. Non-Compliance with Law on Affirmative Action

Review of records revealed that the School had total of fourteen (14) Board of Management staff (teaching and non-teaching staff) out of which one ethnic group represented 50% of the employee's which is way above the legal threshold of 33%. This was contrary to Article 27(8) of the Constitution which states that no more than 2/3 of members of any elective or appointing public body can be of the same gender or ethnic group.

Further, the School had zero staff with disabilities contrary to provisions of at least 5% by the persons with disabilities Act, 2003.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for conclusion

Failure to Reconcile Students Enrollment Data

Review student records provided revealed discrepancies between student data in the National Education Management Information System (NEMIS) and school records relating to the enrolment of students. During the year under review, NEMIS reported a total number of two hundred and three (203) students as at 30 June, 2023 while the enrolment record in the school indicated a total of two hundred and twenty-seven 227 students resulting a variance of twenty-four (24) students for the same period.

Failure to reconcile student data may result to under/overfunding and may affect planned school activities and may negatively impact service delivery to the public.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective

processes and systems of internal controls, risk management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

6 May, 2026

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	534,495	569,688
Government grants for operations	2	1,592,681	2,535,962
Government Grants for infrastructure	3	739,000	2,786,011
School fund income- parents' contributions	4	7,340,284	3,955,606
Miscellaneous incomes	5	139,739	3,138,117
Total Receipts		10,346,199	12,985,384
Payments			
Tuition	6	555,093	709,677
Operations	7	2,113,478	2,861,191
Infrastructure	8	740,480	1,059,070
Boarding and school fund	9	8,995,638	6,466,147
Total Payments		12,404,689	(11,096,085)
Surplus/Deficit		(2,058,490)	1,889,299

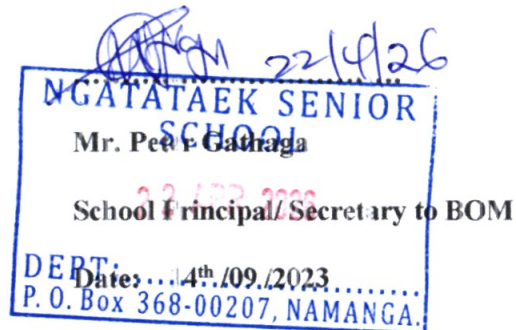
The school financial statements were approved on 14th SEPTEMBER 2023 and signed by:

 22/4/2023

Mr. Kispian Mosiany

Chair BOM

Date: 14th /09 /2023



 22/4/2023

Mr. Benard Kakeempe

Bursar/ Finance Officer

Date: 14th /09 /2023

7. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022-2023 Kshs	2021-2022 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	548,144	601,521
Cash balances	11	4,658	222,822
Short term investments	12	0	0
Total cash and cash equivalent		552,802	824,343
Account's receivables	13	2,685,502	2,790,639
Total financial assets		3,238,304	3,614,982
Financial liabilities			
Accounts payables	14	(10,650,163)	(9,052,603)
Net financial assets		(7,411,859)	(5,437,621)
Represented by			
Accumulated fund b/fwd	15	(5,437,621)	(6,707,872)
Surplus/deficit for the year		(2,058,490)	1,889,299
Net financial position		(7,496,111)	(4,818,573)

Ngatatae Mixed Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

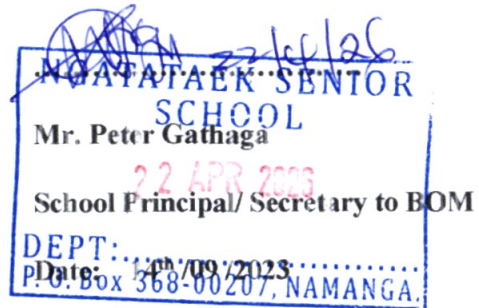
The school financial statements were approved on 14th SEPT 2023 and signed by:

 22/4/26
.....

Mr. Kispian Mosiany

Chair BCM

Date: 14th /09 /2023




.....

Mr. Benard Kakeempe

Bursar/ Finance Officer

Date: 14th /09 /2023

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	534,494	569,688
Government grants for operations	2	1,592,681	2,535,962
Government grants for infrastructure	3	739,000	2,786,011
School fund income- parents contributions/ fees	4	7,340,284	3,955,606
Other income	5	139,739	3,138,117
Total receipts		10,346,199	12,985,384
Payments			
Cash outflows for tuition	6	555,093	709,677
Cash outflows for operations	7	2,113,478	2,861,191
Cash outflows for infrastructure	8	740,480	1,059,070
Cash outflows Boarding/lunch and school fund payments	9	8,995,638	6,466,147
Total payments		12,404,689	11,096,085
Net cash inflow/outflow from operating activities		(2,058,490)	1,889,299
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		0	0

Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0	0
Repayment of principal borrowings			(348,406)
Net cash inflow/outflow from financing activities		0	(348,406)
Net increase/decrease in cash and cash equivalents		(2,058,490)	1,540,893
Cash and cash equivalent at beginning of the FY		824,343	679,490.55
Cash and cash equivalent at end of the FY		552,801	824,343.17

The school financial statements were approved on 14th SEPT 2023 and signed by:

 22/4/26

Mr. Kispian Mosiany

Chair BOM

Date: 14th /09 /2023

 22/4/26

NGATATAEK SENIOR
SCHOOL

School Principal/ Secretary to BOM

Date: 14th /09 /2023

DEPT:.....
P. O. Box 368-00207, NAMANGI

 22/4/2026

Mr. Benard Kakeempe

Bursar/ Finance Officer

Date: 14th /09 /2023

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	948,976	0	948,976	534,495	56%
<i>(2) Capitation Grant on Operations</i>					
O.V.H (PE, EWC,ADM)	2,961,000	0	2,961,000	1,403,231	38%
Repairs And Maintenance	440,000	0	440,000	39,000	9%
Local Transport / Travelling					
Medical	458,000	0	458,000	40,400	9%
Activity	462,500	0	462,500	110,050	24%
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	5,100,000	0	5,100,000	739,000	14%
<i>(4) Fees Charged on Parents</i>					
Personnel Emoluments	2,961,000	0	2,961,000	1,143,233	39%
Repairs And Maintenance	440,000	0	440,000	121,085	28%
Local Transport / Travelling	886,400	0	886,400	403,363	46%
Electricity And Water	626,250	0	626,250	314,980	50%
Fee arrears recovery				624,788	
Administration Costs	539,760	0	539,760	201,218	37%

Ngatatae¹ Mixed Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
prepayment				153,740	
Activity	462,500	0	462,500	52,340	11%
Transfer borrowing				250,000	
Borrowings				90,000	
Fee On Boarding Equipment and Stores	1,214,430	0	1,214,430	3,985,537	328%
5) Miscellenous Income					
Other income from penalties				139,739	
Income From Any Other Investment					
Total Income	13,637,316		13,637,316	10,346,199	76%
(6) Expenditure For Tuition					
Teaching / Learning Materials	948,976	0	948,976	555,093	58%
(7) Expenditure For Operations					
O.V.H (PE, EWC,ADM)	2,961,000	0	2,961,000	1,584,226	54%
Repairs, Maintenance & Improvements					
Local Transport / Travelling	886,400	0	886,400	254,400	29%
Electricity, Water and Conservancy					
Medical	458,000	0	458,000	147,472	32%
Administration Costs					
Activity Expenses	462,500	0	462,500	125,100	27%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(8) Expenditure For infrastructure</i>					
RMI	5,100,000	0	5,100,000	740,480	15%
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	2,961,000	0	2,961,000	1,666,624	56%
Repairs, Maintenance and Improvements	440,000	0	440,000	219,495	50%
Local Transport / Travelling	886,400	0	886,400	752,880	85%
Electricity, Water and Conservancy	626,250	0	626,250	327,911	52%
Medical Expenses	458,000	0	458,000	6,350	1%
Administration Costs	539,760	0	539,760	315,124	58%
Activity	462,500	0	462,500	488,355	106%
Boarding Equipment and Stores	1,214,430	0	1,214,430	3,747,224	308%
Transfers				1,198,100	
Creditors paid				258,848	
Bank charges				14,727	
Totals	13,636,816		13,636,816	12,404,689	91%

- i. Some vote heads in the budget above 110% were underestimated thus over utilized
- ii. Some vote heads in the budget below 90% were overestimated thus underutilize

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, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits 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, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

Ngatataek Mixed Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Teaching / Learning Materials	534,495	569,688
Others (specify) *		
Total	534,495	569,688

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
O.V.H (PE, EWC, ADM)	1,403,231	1,494,462
Repairs And Maintenance	39,000	1,009,500
Medical	40,400	
Administration Costs		32,000
Activity	110,050	
Total	1,592,681	2,535,962

3 Government Grants for infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement	739,000	2,786,011
Other (specify)(NGCDF and County govt.		
Total	739,000	2,786,011

4 School Fund Income - Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	1,143,233	0
Repairs and maintenance	121,085	319,975
Local transport / travelling	403,363	291,910
Electricity and water	314,980	212,720

Description	2022/2023	2021/2022
	Kshs	Kshs
Medical	0	2,000
Administration costs	201,218	77,947
Activity	52,340	101,639
Fee on Boarding Equipment and stores	3,985,537	1,126,176
Fee Arrears recovery	624,788	1,594,600
Prepayment	153,740	228,639
Transfers	250,000	
Borrowings	90,000	
Other income	0	
Total	7,340,284	3,955,606

5 Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Loans/Borrowings*		
Other Income (<i>sale of grass and penalties</i>)	139,739	3,138,117
Total	139,739	3,138,117

Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Teaching / Learning Materials	555,093	709,677
Others (specify)		
Total	555,093	709,677

7 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
O.V.H (PE, EWC, ADM)	1,584,226	1,813,801
Repairs And Maintenance & Improvements		1,009,500
Local Transport / Travelling	254,400	
Medical	147,472	
Activity Expenses	125,100	
Bank Charges	2,280	5,890
Others (borrowing)		32,000
Total	2,113,478	2,861,191

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
RMI	740,480	1,059,070
Others (specify)		
Total	740,480	1,059,070

9 Boarding And School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	1,666,624	1,250,350
Service Gratuity		
Repairs And Maintenance & Improvements	219,495	453,520
Local Transport / Travelling	752,880	367,593
Electricity And Water	327,911	170,894
Medical Expenses	6,350	2,800
Administration Costs	315,124	304,130
Transfer borrowing	1,198,100	78,000
Bank Charges	14,727	23,289
Activity	488,355	246,810
Fee On Boarding Equipment and Stores	3,747,224	3,218,355
Creditors Paid	258,848	2,000
Insurance Cost (Life Property)		
Loan Principal Repayment	0	348,406.35
Total	8,995,638	6,466,147

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1132796121	6,399	26,997
Operations Account	active	0850298902813	5776	7,496
School Fund Account/Boarding	active	0850270385666 - equity 11356974334- kcb	75,398	325,477
Infrastructural Account	active	0850279064019	460,571	241,551
Total			548,144	601,521

11 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	4,658	222,822
Total	4,658	222,822

12 Short Term Investments

Description	2022/2023	2021/2022
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	2,685,502	2,790,639
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	2,685,502	2,790,639

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year			1,957,747	70%
Between 1- 2 years (1,746,777 – 168,797)+363,660	1,941,640	72%	363,660	13%
Between 2-3 years	743,862	28%	469,237	17%
Over 3 years				0%
Total (should tie to note 13 a)	2,685,502	100%	2,790,639	100%

14 Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	10,803,903	9,273,242
Prepaid Fees (Trial balance)	(153,740)	(220,639)
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	10,650,163	9,052,603

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year	1,470,545		530,466	6%
Between 1- 2 years(849,430-258,848 Creditors paid)	590,582			%
Between 2-3 years				%
Over 3 years	8,742,776		8,742,776	94%
Total (should tie to note 14)	10,803,903		9,273,242	100%

15 Fund Balance Brought Forward

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Balances	601,521	448,392
Cash Balances	222,822	231,098
Short Term Investments		
Receivables	2,790,639	2,427,497
Payables	(9,052,603)	(9,814,859)
Total	(5,437,621)	(6,707,872)

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total	0	0

17 Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle			
Goats			
Trees		338	310
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total		338	310

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		(348,406.35)
Balance at the end of the year	0	(348,406.35)

Other important disclosure notes

19 Stock/ Inventory

Description	2022/2023	2021/2022
	Kshs	Kshs
Food stuffs	280,000	300,000
Lab consumables	0	0
Farm produce	0	0
Medication	0	0
Construction Materials	0	0
Others (specify)	0	0

Progress On Follow Up Of Auditor Recommendations

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

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


 Sign and Date
 Principal
 NGATATAEK SENIOR
 SCHOOL
 22 APR 2023
 DEPT:.....
 P.O. Box 368-00207, NAMANGA

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Payables				10,650,163	9,052,603	
2.						
Sub-Total						
Grand Total				10,650,163	9,052,603	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land				
Buildings And Structures				
Other Machinery And Equipment				
Total				

The school land is located at ngatataek kajiado central. Just 500m from ngatataek shopping center.

NB: The schools assets have never been valued.