

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
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THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT DATE: 20 FEB 2025 DAY: Thursday
TABLED BY: Hon. Naomi Wago Deputy Majority Whip
CLERK-AT THE-TABLE: Imogen Mwangi

OF

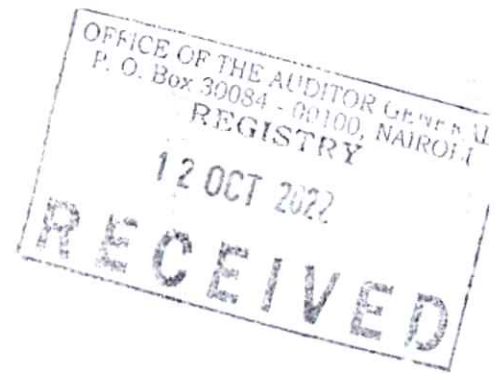
THE AUDITOR-GENERAL

ON

NAIVASHA GIRLS SECONDARY SCHOOL

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

NAKURU COUNTY



**NAIVASHA GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2022**

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

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Naivasha Girls Secondary School
Public Secondary School
Reports and Financial Statements For the year ended 30th June 2022

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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 Nakuru County, Naivasha Sub-County.

The school was registered in 02/02/2017 under registration number 32S30000108 and is currently categorized as an Extra County, public school established, owned and operated by the Government.

The school is a /boarding school and had 1173 number of students as at 30th June 2022. It has 5 streams and 47 teachers of which 5 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 Cyrus Karingithi	Chairman	23/05/2022
2	Ms Catherine Wandetto	Secretary- Principal	23/05/2022
3	Mr Peter Ng'ang'a	Member	23/05/2022
4	Dr Ann Hinga	Member	23/05/2022
5	Ms Charity Gitau	Member	23/05/2022
6	Dr George Kosimbei	Member	23/05/2022
7	Dr Peninah Ngoda	P.A. Chairman	23/05/2022
9	Mr Michael Abongo	Member	23/05/2022
10	Ms Juliet Anita Murigi	member	23/05/2022
11	Ms Jacqueline Kemuto Ochako	Member	23/05/2022
12	Ms Emily Leshao	Member – Rep CEB	23/05/2022
13	Mr Jacob Sambu	Member Rep Teachers	23/05/2022
14	Cornelius Mulinge	Member	23/05/2022
15	Ms Bellal Mose	Member	23/05/2022
16	Mr Mark Kariuki	Member - Community	23/05/2022
17	Mr Daniel Ngugi	Member Special Needs	23/05/2022
18	Ms Hawi Patience Pherry	Rep Students	23/05/2022

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr Cyrus Karingithi	Chairman	4 (REF Old BOM)
		Dr Peninah Ngoda	P.A. Chair	4 (REF Old BOM)
		Ms Catherine Wandetto	BOM Secretary	4 (REF Old BOM)
		Mr Mark Kariuki	Member	4 (REF Old BOM)
		Ms Emily Leshao	Member	4 (REF Old BOM)
2	Audit Committee			
3	Finance, procurement and general purposes Committee	Mr Cornelius Mulinge	Chairman	
		Dr Peninah Ngoda	P.A Chair	
		Mr Cyrus Karingithi	B.O.M Chairman	
		Ms Catherine Wandetto	B.O.M. Secretary	
		Mr Peter Ng'ang'a	Member	
		Mr Mark Kariuki	Member	
4	Academic Committee	Dr George Kosimbei	Chair	
		Dr Peninah Ngoda	P.A. Chair	
		Ms Jacinta Migwi	Dean os studies	
		Dr Ann Hinga	Member	
		Mr Daniel Ingugi	Member	
		Dr John Kariuki	Member	

**Naivasha Girls Secondary School
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		Ms Catherine Wandetto	Principal	
5	Development Committee	Dr John Kariuki	Member	1 (REF Old BOM)
		Mr Mark Kariuki	Member	1 (REF Old BOM)
		Ms Hellen Kataka	Secretary	1 (REF Old BOM)
		M.O.E. Officer	Member	1 (REF Old BOM)
		Mr Cyrus Karingithi	B.O.M. Chair	1 (REF Old BOM)
		Ms Catherine Wandetto	Principal/Secretary BOM	1 (REF Old BOM)
6	Discipline and welfare Committee	Ms Bella Nyamoita	Chairman	1 (REF Old BOM)
		Ms Hellen Kataka	D/Principal Administraiton	1 (REF Old BOM)
		Ms Loise Karanja	HOD Guidance & Counselling	1 (REF Old BOM)
		Dr Peninah Ngoda	P.A. Chairman	1 (REF Old BOM)
		Ms Catherine Wandetto	Principal/Secretary BOM	1 (REF Old BOM)
		Ms Emily Leshao	Member	1 (REF Old BOM)
		Ms Charity Gitatu	Member	1 (REF Old BOM)
		Mr Michael Abongo	Member	1 (REF Old BOM)
		Mr Cornelius Mulinge	Member	1 (REF Old BOM)
		Mr Jacob Sambu	Member	1 (REF Old BOM)
7	Adhoc Committee (if any during the year)			2

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Ms Catherine Wandetto	351106
2	Deputy Principal	Ms Hellen Kataka	352393
3	School Bursar	Mr Stanely Gatharia	26150326

(e) Schools contacts

(e) Schools contacts

Post Office Box: 155-20117 NAIVASHA
Telephone: 0729089216
E-mail: naivagirls@yahoo.com
Website: www.naivashagirlssec.sc.ke

(f) School Bankers

The school operated Five bank accounts in the following banks and one Mpesa paybill

1. Name of Bank: ABSA BANK
Branch: NAIVASHA
Account Number: 0271633416
2. Name of Bank: ABSA BANK
Branch: NAIVASHA
Account Number: 0271633793
3. Name of Bank: ABSA BANK
Branch: NAIVASHA
Account Number: 2022265973
4. Name of Bank: ABSA BANK
Branch: NAIVASHA
Account Number: 0271633076
5. Name of Bank: EQUITY BANK
Branch: NAIVASHA
Account Number: 0200277481407
6. MPESA Pay Bill No. 247247 (Acc 155155) attached to EQUITY bank account No. 0200277746889

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(g) Independent Auditors

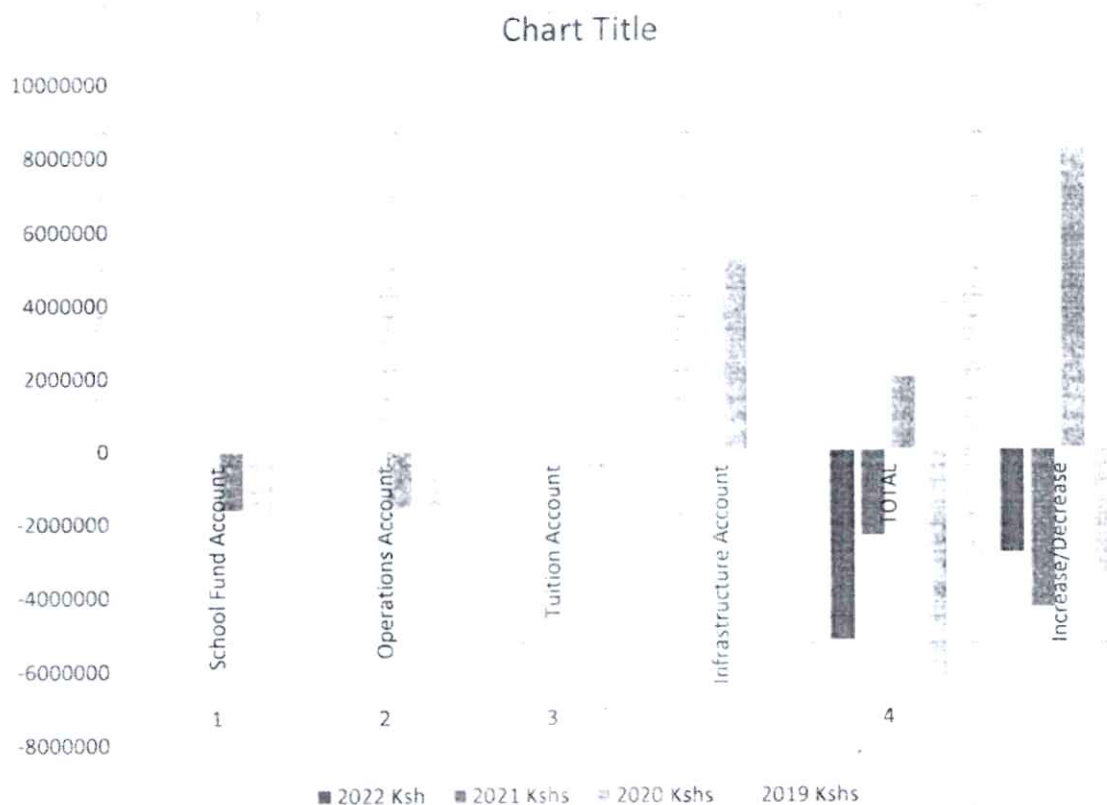
The Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

II. Summary Report Of Performance Of The School

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

a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2022	2021	2020	2019
		Ksh	Kshs	Kshs	Kshs
1	School Fund Account	-	-	-1,621,729.66	-3,705,049.17
2	Operations Account	-	-	-1,550,350.50	-1,831,620.45
3	Tuition Account	-	-	-55,612.00	-646,781.45
4	Infrastructure Account	-	-	5,210,224.00	9,224.00
	TOTAL	-5,179,674.69	-2,350,198.10	1,982,531.84	-6,174,227.07
	Increase/Decrease	-2,829,476.59	-4,332,729.94	8,156,758.91	-3,445,015.91

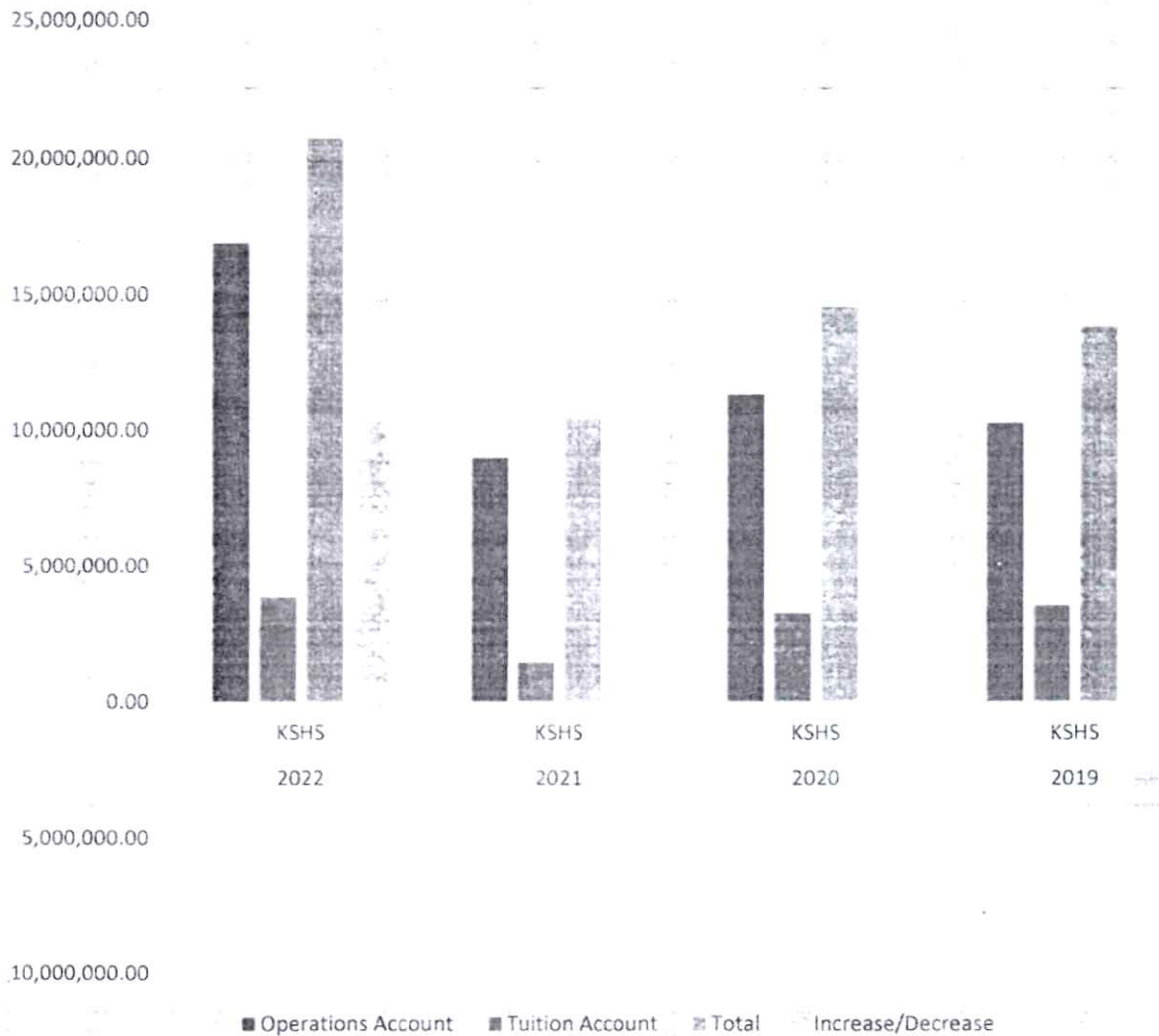


**Naivasha Girls Secondary School
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Reports and Financial Statements For the year ended 30th June 2022**

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS

SNO	ACCOUNTS	2022	2021	2020	2019
		KSHS	KSHS	KSHS	KSHS
1	Operations Account	16,875,967.38	8,976,116.20	11,294,554.50	10,256,538.85
2	Tuition Account	3,831,702.00	1,434,184.50	3,250,876.00	3,528,505.33
	Total	20,707,669.38	10,410,300.70	14,545,430.50	13,785,044.18
	Increase/Decrease	10,297,368.68	-4,135,129.80	760,386.32	-6,241,631.67
	No of Students	1173	1173	1152	1094
	Ratio of Capitation per student				

Chart Title

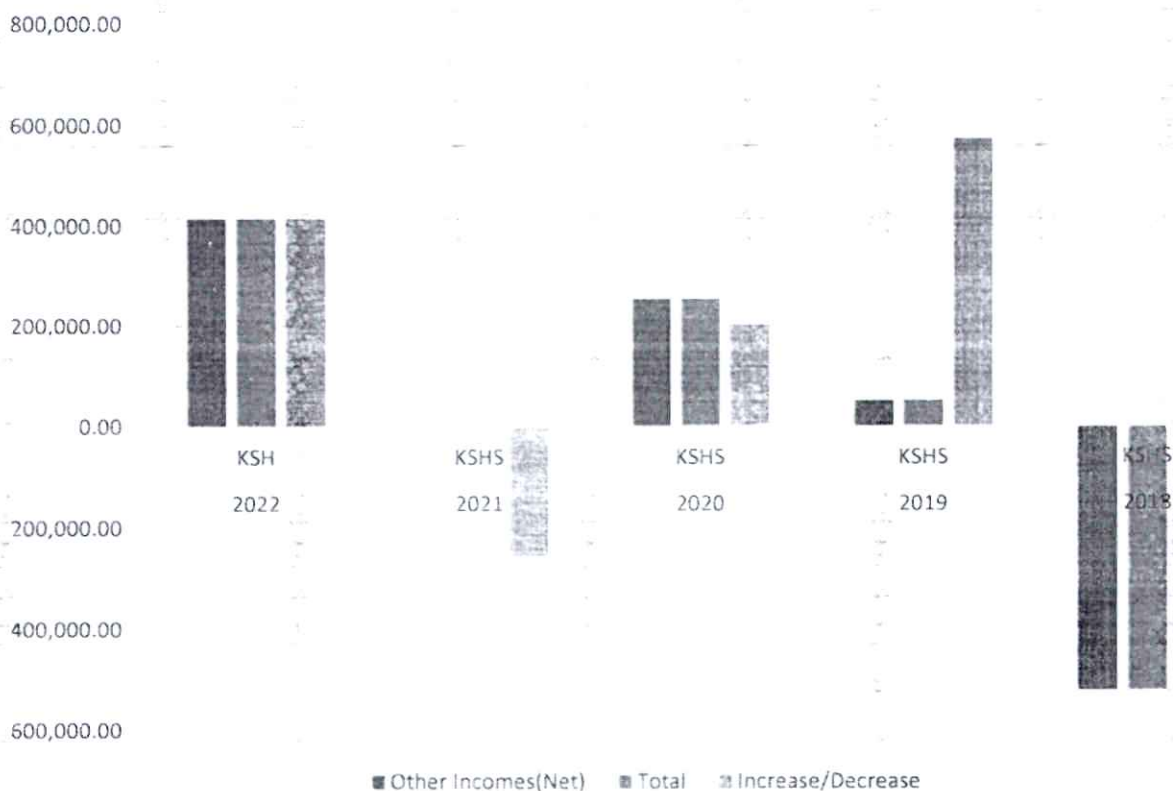


**Naivasha Girls Secondary School
Public Secondary School
Reports and Financial Statements For the year ended 30th June 2022**

OVERVIEW OF GROWTH OF OTHER INCOME(S)

SNO	ACCOUNTS	2022	2021	2020	2019	2018
		KSH	KSHS	KSHS	KSHS	KSHS
1	Other Incomes(Net)	414,800.00	0	253,568.00	51,400.00	-521,352.00
	Total	414,800.00	0	253,568.00	51,400.00	-521,352.00
	Increase/Decrease	414,800.00	-253,568.00	202,168.00	572,752.00	-

Chart Title



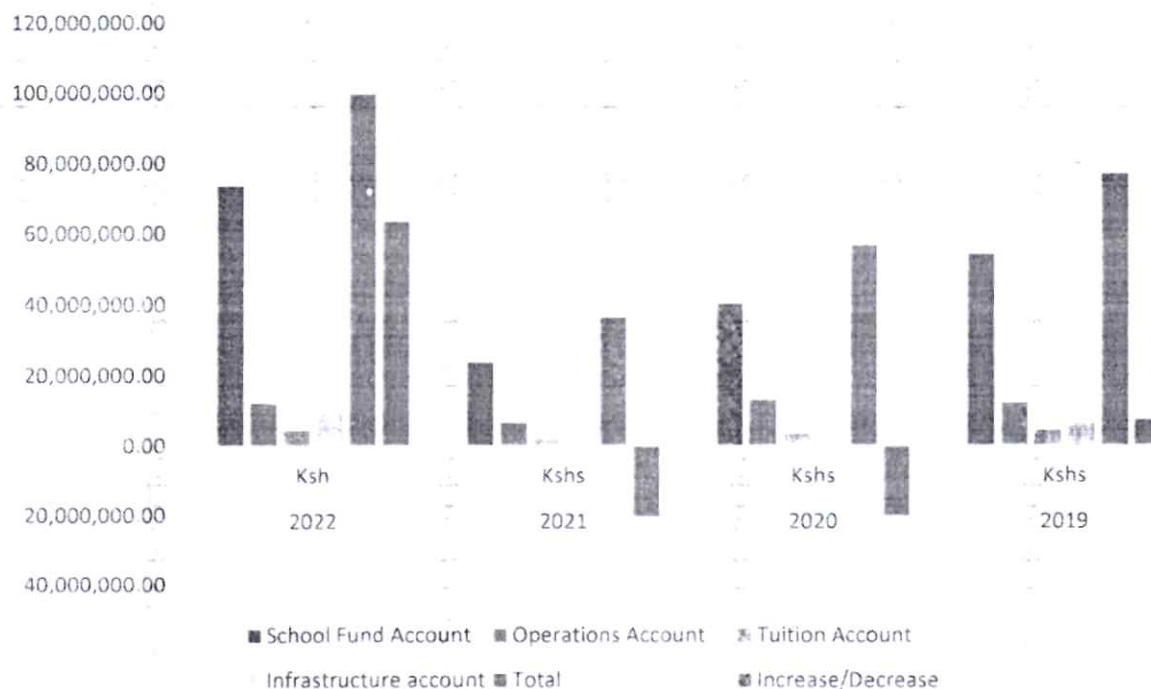
NAIVASHA GIRLS SEC. SCHOOL
P. O. Box 155 - 20117,
NAIVASHA
TEL. 050 - 2021235

Naivasha Girls Secondary School
Public Secondary School
Reports and Financial Statements For the year ended 30th June 2022

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL

SNO	ACCOUNTS	2022	2021	2020	2019
		Ksh	Kshs	Kshs	Kshs
1	School Fund Account	73,444,257.65	23,628,703.00	40,023,752.66	54,051,524.17
2	Operations Account	12,038,313.27	6,422,488.00	12,844,905.00	12,088,159.30
3	Tuition Account	4,417,896.70	1,742,335.00	3,306,488.00	4,175,286.78
4	Infrastructure account	9,688,828.95	4,417,412.00	461,490.00	6,476,776.00
	Total	99,589,296.57	36,210,938.00	56,636,635.66	76,791,746.25
	Increase/Decrease	63,378,358.57	-20,425,697.66	-20,155,110.59	7,235,790.09

Chart Title

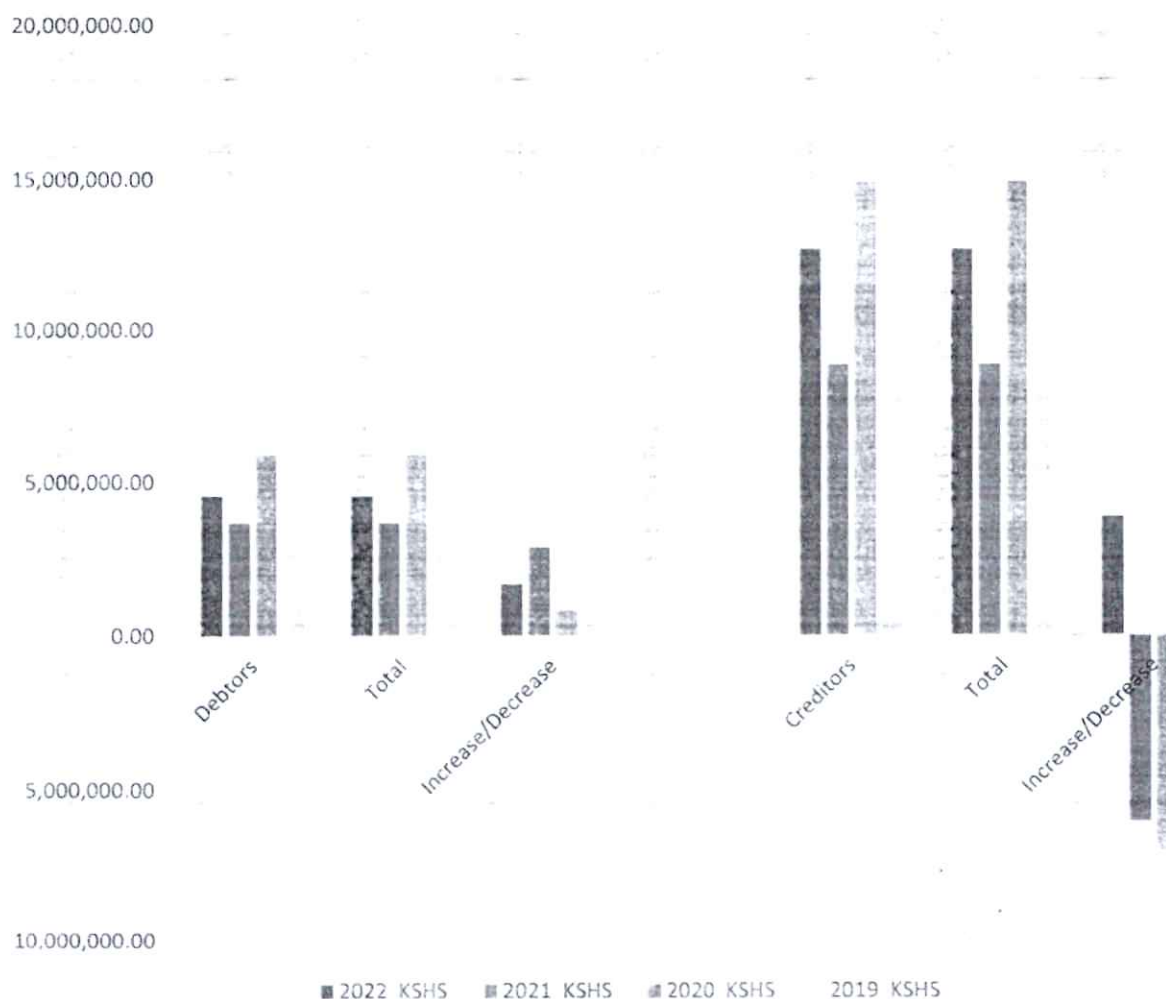


NAIVASHA GIRLS' SEC. SCHOOL
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TEL: 050 - 2021235

MOVEMENT OF DEBTORS AND CREDITORS OF THE SCHOOL

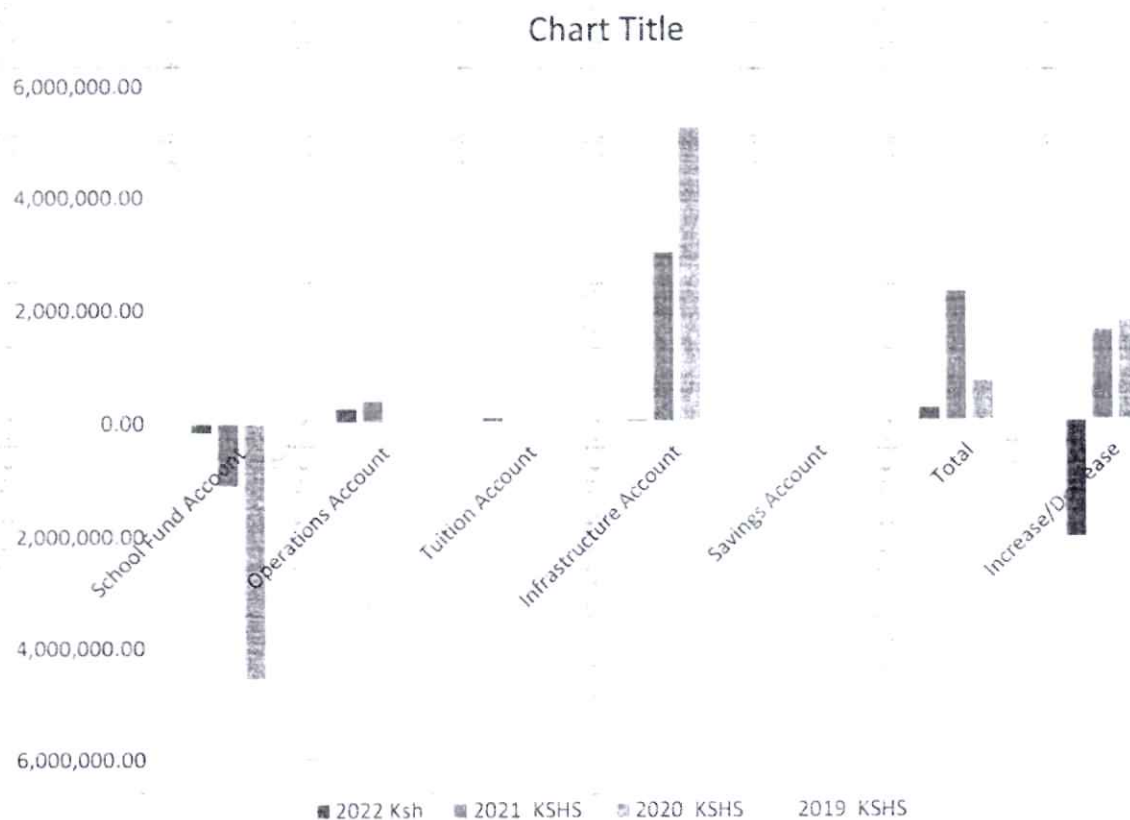
SNO	ACCOUNTS	2022	2021	2020	2019
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account				
a	Debtors	4,553,379.25	3,686,916.25	5,915,218.00	5,097,542.00
	Total	4,553,379.25	3,686,916.25	5,915,218.00	5,097,542.00
	Increase/Decrease	1,684,139.00	2,869,240.25	817,676.00	423,280.00
b	Creditors	12,657,827.26	8,815,410.00	14,887,846.00	7,850,997.00
	Total	12,657,827.26	8,815,410.00	14,887,846.00	7,850,997.00
	Increase/Decrease	3,842,417.26	-6,072,436.00	-7,036,849.00	-3,451,968.45

Chart Title



MOVEMENT OF CASH AND BANK BALANCES

SNO	ACCOUNTS	2022	2021	2020	2019
		Ksh	KSHS	KSHS	KSHS
1	School Fund Account	-157,405.39	-1,100,484.80	-4,553,503.25	-1,088,433.14
2	Operations Account	248,700.96	374,697.85	6,439.45	1,693.50
3	Tuition Account	81,464.20	2,880.20	8,710.90	7,499.90
4	Infrastructure Account	35,016.05	2,988,036.00	5,219,448.00	9,224.00
5	Savings Account	22,440.05	22,440.05	22,440.05	22,440.05
	Total	230,215.87	2,287,569.30	703,535.15	-1,047,575.69
	Increase/Decrease	-2,057,353.43	1,584,034.15	1,751,110.84	-2,581,518.83



NAIVASHA GIRLS' SEC. SCHOOL
 P. O. Box 155 - 20117,
 NAIVASHA
 TEL: 050 - 2021235

**Naivasha Girls Secondary School
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Reports and Financial Statements For the year ended 30th June 2022**

b) Teacher Student ratio:

YEAR	TSC TEACHERS	ENROLMENT	TEACHER STUDENTS' RATIO	HIRED	TRANSFERRED	RETIRED	SHORTAGE
2020	41	1152	1:28	4	3	2	5
2021	42	1173	1:28	3	NONE	1	5
2022	42	1173	1.28	5	1	0	3

c) Mean score in the 2019 – 2021 KCSE:

YEAR	SCHOOL M.G	TRANSITION TO PUBLIC/HIGHER INSTITUTION	CANDIDATURE
2019	7.817	197	257
2020	8.004	222	269
2021	6.8659	163	276

d) Number of Candidates in the 2022 KCSE:

YEAR	NO. OF CANDIDATES
2019	257
2020	269
2021	276
2022	275

e) Capacity of the school:

FACILITY	CAPACITY	ACTUAL NO. OF STUDENTS	SURPLUS
Dormitories- 11	844	1173	(329)
Washrooms-107rooms	844	1173	(329)
Dining hall-1pc	800	1173	(373)
Laboratories-4	1173	1173	-

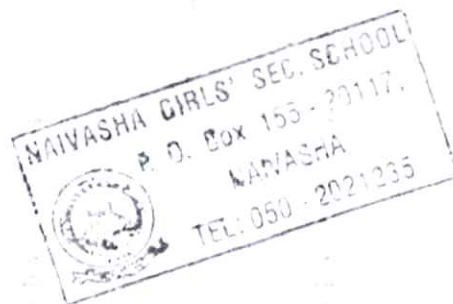
Summary Report of the Performance of the School(Continued)

f) Development projects carried out by the school:

YEAR	PROJECT	COST	SOURCE OF FUNDS	STATUS
2020	COVID 19 MEASURES	461,310/=	MoE	COMPLETE
2021	DORMITORY REPAIR	1,205,212.88	MoE	COMPLETE
2021/22	NEW DORMITORY	15,399,912.18	MoE & Parents	ONGOING

Agaci

.....
School Principal



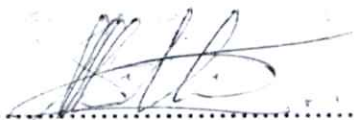
III. Statement Of School Management Responsibility

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

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

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

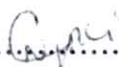
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.



.....
Name: CYRUS KARINGITHI

Designation: Chairman, School Board of Management


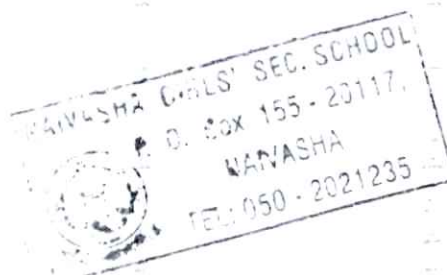
Date: 30/09/2022



.....
Name: CATHERINE WANDETTO

Designation: School Principal & Secretary to Board of Management

Date: 30/09/2022



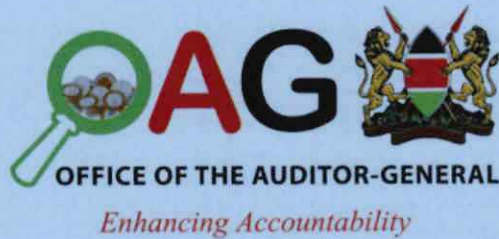
.....
Name: STANLEY GATHARIA

Designation: Bursar/ Finance Officer

Date: 30/09/2022

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 NAIVASHA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU 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 the Naivasha Girls Secondary School – Nakuru County set out on pages 1 to 18, which comprise of the statement of

Report of the Auditor-General on Naivasha Girls Secondary School for the year ended 30 June, 2022 - Nakuru County

financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Naivasha Girls Secondary School - Nakuru County as at 30 June, 2022 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 No.14 of 2013.

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents

Included in the statement of financial assets and financial liabilities is an amount of Kshs.240,898 as cash and cash equivalents. It was noted that no bank reconciliation statements for School fund account (Equity Bank) and School fund account (ABSA bank) with bank balances of Kshs.14,713 and Kshs.(172,119) respectively were prepared and provided for audit. Further, included in the reported balance are two bank accounts whose reported balances differed with the supporting cashbook balances thereby resulting to unreconciled variance of Kshs.(324,036). Similarly, the School petty cash book presented for audit did not have journal voucher entries to support the figures posted and students' pocket money was recorded in the petty cash book as part of the School's income and expensed against unrelated transactions.

In the circumstances, the validity and accuracy of cash and cash equivalents balance could not be confirmed.

2. Unsupported Other Receipts-School Fund

Note 4 to the financial statement reflects an amount of Kshs.3,598,038 in respect to other receipts - school fund account. However, income amounting to Kshs.1,452,796 in respect of pocket money, clubs and society were wrongly classified under other receipts. No explanations were given as to why these monies were included as part of School's receipts whereas these were students' monies held for safekeeping. Further, it was noted that, though the School had various revenue streams, no records were maintained for the same.

In the circumstances, the accuracy and completeness of other receipts-school fund of Kshs.3,598,038 could not be confirmed.

3. Unsupported Payments for Operations

The statement of receipts and payments reflects operations and infrastructure amount of Kshs.21, 727,142 as disclosed in Note 6 to the financial statements. However, examination of payment vouchers amounting to Kshs.8,897,987 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the operations and infrastructure amounting to Kshs.21,727,142 could not be confirmed.

4. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.4,553,379 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review. Further, included in the balance are receivables amounting to Kshs.1,040,634 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of the long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.4,553,379 could not be confirmed.

5. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.4,553,379.25 as disclosed in Note 11 to the financial statements. However, the supporting schedules and detailed aging analysis were not provided for audit.

In the circumstances, the accuracy and fair statement of accounts payable for the year could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Naivasha Girls 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 summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.112,669,380 and Kshs 93,458,488 respectively resulting to an under-funding of Kshs.19,210,892 or 17 % of the budget. Similarly, the School spent

an amount of Kshs.99,589,297 against actual receipts of Kshs.93,458,488 resulting to an over-utilization of Kshs6,130,991 or 6% of the receipts.

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

My opinion is not modified in respect of this matter.

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.

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, I confirm that else nothing 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 financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- 1.1 Review of the financial statements revealed that the values in the financial statements are not rounded to the nearest Kenya Shillings as provided under significant accounting policies on statements of compliance and basis for preparation of the financial statements.
- 1.2 Page 18 on "other important disclosure note on - progress on follow up of Auditor's recommendations" was not signed by the Principal of the School.

In the circumstances, Management did not comply with the PSASB reporting template requirements.

2. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 12 October, 2022 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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 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 THE 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 matters described in the Basis for Conclusion on the Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Weaknesses in Inventory Management

Included in the financial statements is a disclosure of inventory valued at Kshs.3,202,943 under Note 14. However, supporting schedules in support of the balances were not provided for audit.

In the circumstances, the accuracy and completeness of the inventory balance of Kshs.3,202,943 could not be confirmed.

2. Weaknesses in Management of Fixed Assets and Lack of Ownership Documents

Included in the financial statements under review is a disclosure of fixed assets owned by the School valued at Kshs.530,720,132 made up of various categories of assets. The following observations were however made: -

The values attached to the various classes of assets could not be as no valuation report was availed and neither could the basis of values be attached.

- i. Though there was an assets register in place, the same was not comprehensively maintained as it lacked such details as date of acquisition and

in the case of land, the acreage under the School, and unique identifiers in the case of computers, laptops and printers.

- ii. The values attached to the School buildings and structures were indicated as approximate values in the assets register which differed with what was disclosed in the financial statements.
- iii. The assets were not tagged with unique identifier codes.
- iv. It was not possible to physically inspect certain classes of assets such as computers, printer and laptops as the same had not been tagged.
- v. Land ownership documents were not provided for audit.

In the circumstances, the valuation, existence and ownership of assets as disclosed in the summary of fixed assets could not be confirmed.

3. Inadequate School Infrastructure

During the year under review, the School had a student population of one thousand, one hundred and seventy-three (1,173) students. However, the dormitories and washrooms capacity was at eight hundred and forty-four (844), thus resulting in capacity deficit of three hundred and twenty-nine (329) students. Further, the dining hall capacity was eight hundred (800) students against student enrollment of one thousand, one hundred and seventy-three (1,173), thus resulting into a deficit of three hundred and seventy-three (373).

In the circumstances, the School was in breach of the requirements of the Education Act as regards providing a secure physical and psycho-social setting for the students.

4. Weaknesses in IT Internal Control

The School has implemented the School Accounting System (SHACCS) as its financial information system. The system has modules for vote heads, fees structure, admissions, receipting, fees balances and registers, LPOs, invoicing, cash books and ledgers. The following observations were made during the audit:

4.1 IT Governance

- i) The School did not have an active IT Steering Committee in the Board of Management.
- ii) There was no role charged with the duties and responsibilities of an IT function.
- iii) There were no service level agreements with service providers.
- iv) There was no IT security policy.
- v) There were no formally documented and approved processes to manage upgrades made to financial information systems.

- vi) When an upgrade was made to the systems, there was no formal change request documentation completed indicating the change to be made and the reasons for all changes to the financial systems.

4.2 Logical Access Controls

- i) Segregation of duties was not implemented on the system.
- ii) Users could initiate transactions and post them to the ledgers without the involvement of supervisory functions.
- iii) It was also noted that generic usernames are used in the system like bursar

4.3 IT Service Continuity

- i) The School did not have an Information Technology (IT) continuity plan and a disaster recovery plan.
- ii) The backup and recovery strategies in place were not effective as the financial system data is backed up on the same computer that hosts the financial system.
- iii) It was noted that periodic backups of the financial system were taken. However, no backup schedule was presented for audit and the backups were stored on the same computer that hosts the system.
- iv) There was a risk of loss of confidentiality, integrity and availability of the system.

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

5. Inaccuracies in Students NEMIS Data

A review of the students enrollment data showed that in the year under review there were variances between the enrollment data records maintained in the School and the NEMIS data as shown here below:-

Month	Actual Student Data from School Records	NEMIS Data	Variance
July, 2020	1,160	1,094	(66)
October, 2020	1,160	0	(1,160)
December, 2020	1,160	1,093	(67)
February, 2022	1,160	1,104	(56)
April, 2022	1,160	1,103	(57)

In the circumstances, variances in student enrolment data results in discrepancies in capitation disbursements, affecting the day-to-day operations of the School.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall

governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up

to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 September, 2024

**Naivasha Girls Secondary School
Public Secondary School
Reports and Financial Statements For the year ended 30th June 2022**

V. Statement Of Receipts And Payments Period To 30th June 2022

DESCRIPTION OF VOTE HEAD	Note	1 st July 2021- 30 th June 2022 Ksh	1 st January 2021- 30 th June 2021 Ksh
RECEIPTS			
Capitation grants for tuition	1	3,831,702.00	1,434,184.50
Capitation grants for operations	2	16,875,967.38	8,976,116.20
School Fund Income- Parents' Contributions	3	70,103,914.50	20,382,950.00
School Fund Income- Other receipts	4	3,598,038.00	2,898,429.00
TOTAL RECEIPTS		94,409,621.88	33,691,679.70
PAYMENTS			
Payments for Tuition	5	4,417,896.70	834,937.20
Payments for operations	6	12,038,313.27	5,922,488.80
Boarding and school fund payments	7	73,444,257.65	24,867,039.80
Payments for Infrastructure	6	-9,688,828.95	4,417,412.00
TOTAL PAYMENTS		99,589,296.57	36,041,877.80
SURPLUS/DEFICIT		(5,179,674.69)	(2,350,198.10)

The school financial statements were approved on 30th June 2022 and signed by:

Name: **CYRUS KARINGITHI**
Chair BOM CHAIRMAN

Date: 30/09/2022

Name: **CATHERINE
WANDETTO**
School Principal/ Secretary to
BOM

Date: 30/09/2022

Name: **STANLEY
GATHARIA**
Bursar/ Finance Officer

Date: 30/09/2022



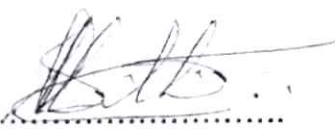
**Naivasha Girls Secondary School
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VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

	Note	30 th June 2022	30 th June 2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	402,334.50	3,354,823.10
Cash Balances	9	10,682.00	190,280.00
Total Cash and Cash Equivalents		413,016.50	3,545,103.10
Account's receivables	11	4,553,379.25	3,686,916.25
TOTAL FINANCIAL ASSETS		4,966,395.75	7,232,019.35
FINANCIAL LIABILITIES			
Bank balances		172,118.63	1,100,484.80
Accounts Payable	12	12,657,827.26	8,815,410.00
		12,829,945.89	9,915,894.80
NET FINANCIAL SSETS		(7,863,550.14)	(2,683,875.45)
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	(2,683,875.45)	(2,683,875.45)
Surplus/Defict for the year		(5,179,674.69)	-
NET FINANCIAL POSITION		(7,863,550.14)	(2,683,875.45)

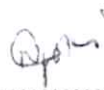


The school financial statements were approved on 30th June 2022 and signed by:



Name: **CYRUS KARINGITHI**
Chair BOM CHAIRMAN

Date: 30/09/2022



Name: **CATHERINE WANDETTO**
School Principal/ Secretary to BOM

Date: 30/09/2022



Name: **STANLEY GATHARIA**
Bursar/ Finance Officer

Date: 30/09/2022

VII. Statement of Cash Flows for The Period Ended 30th June 2022

		1 st July 2021- 30 th June 2022	1 st January 2021- 30 th June 2021
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	3,831,702.00	1,434,184.50
Capitation grants for operations	2	16,875,967.38	8,976,116.20
School fund income- Parents contributions/ fees	3	79,295,279.50	28,609,522.75
School fund income- other receipts	4	3,598,038.00	2,898,429.00
Adjustments in Payables and receivables		-	-
Total receipts		103,600,986.88	41,918,252.45
Payments			
Payments for Tuition	5	4,771,568.70	1,440,015.20
Payments for operations	6	12,297,176.27	5,922,488.80
Boarding and school fund payments	7	79,047,133.39	28,447,599.80
		96,115,878.36	35,810,103.80
Net cash flow from operating activities		7,485,108.52	6,108,148.65
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(9,688,828.95)	(4,417,412.00)
Proceeds from investments		-	-
Net cash flows from Investing Activities		(9,688,828.95)	(4,417,412.00)
NET CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(2,203,720.43)	1,690,736.65
Cash and cash equivalent at BEGINNING of the year	13	2,444,618.30	753,881.65
Cash and cash equivalent at END of the year		413,016.50	3,545,103.10

(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cashflow as recommended by PSASB).

**Naivasha Girls Secondary School
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VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expense Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
RECEIPTS							
(1) CAPITATION GRANT ON TUITION							
Textbooks and reference materials	1,055,700	0	0	1,055,700	20,000	1,035,700	1.9%
Exercise books	1273878	0	0	1,273,878	1,025,206	248,672	80.5%
Laboratory equipment	816408	0	0	816,408	548,200	268,208	67.1%
Internal exams	326094	0	0	326,094	50,000	276,094	15.3%
Teaching / learning materials	1388832	0	0	1,388,832	2,166,724	(777,892)	156.0%
Exams and assessment	234600	0	0	234,600	21,572	213,028	9.2%
SUBTOTALS	5,095,512	0	0	5,095,512	3,831,702	1,263,810	75.2%
(2) CAPITATION GRANT ON OPERATIONS							
Personnel emoluments	7310171	0	0	7,310,171	7,293,035	17,136	99.8%
Repairs and maintenance	5865000	0	0	5,865,000	4,707,500	1,157,500	80.3%
Local transport / traveling	1876800	0	0	1,876,800	869,604	1,007,196	46.3%
Electricity and water	1642200	0	0	1,642,200	805,082	837,118	49.0%
Administration costs	3197029	0	0	3,197,029	1,750,245	1,446,784	54.7%
Activity	1759500	0	0	1,759,500	1,450,502	308,998	82.4%
TOTAL	21650700	0	0	21,650,700	16,875,967	4,774,733	

**Naivasha Girls Secondary School
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Repairs and maintenance	5,865,000	0	0	5,865,000	9,728,829	(3,863,829)	165.9%
Local transport / travelling	1,876,800	0	0	1,876,800	1,257,151	619,649	67.0%
Electricity and water	1,642,200	0	0	1,642,200	1,050,597	591,603	64.0%
Administration costs	3,197,029	0	0	3,197,029	2,274,496	922,533	71.1%
Bank charges	1,000	0	0	1,000	815	185	81.5%
Activity	1,759,500			1,759,500	21,000	1,738,500	1.2%
TOTALS	21,651,700	0	0	21,651,700	21,727,142	(75,442)	100.3%
BOARDING				0	-	-	
Personnel emoluments	7507200	0	0	7,507,200	3,794,979	3,712,221	50.6%
Repairs and maintenance	2346000	0	0	2,346,000	1,939,194	406,806	82.7%
Local transport / travelling	2780010	0	0	2,780,010	4,005,229	(1,225,219)	144.1%
Electricity and water	5,747,700	0	0	5,747,700	5,725,060	22,640	99.6%
Administration costs	5595210	0	0	5,595,210	5,477,629	117,581	97.9%
Activity	1173000	0	0	1,173,000	704423	468,577	60.1%
Fee on Boarding Equipment and Stores	48867180	0	0	48,867,180	46514528.04	2,352,652	95.2%
Rent expenses	239618.6	0	0	239,619	239618.6	-	100.0%
Farm expenses	1399638.95	0	0	1,399,639	1399638.95	-	100.0%
Pocket money	1312384	0	0	1,312,384	1312384	-	100.0%
Tender	112000	0	0	112,000	112000	-	100.0%
Bus expenses	2026268	0	0	2,026,268	1954500	71,768	96.5%
Clubs and Societies	265075	0	0	265,075	265075	-	100.0%
TOTAL EXPENDITURE	79,371,285	0	0	79,371,285	73,444,258	5,927,027	

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 the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

**Naivasha Girls Secondary School
Public Secondary School
Reports and Financial Statements For the year ended 30th June 2022**

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

	1st July 2021- 30th June 2022	1st January 2021- 30th June 2021
	Kshs	Kshs
Textbooks and reference materials	0.00	
Exercise books	1,025,206.00	0.00
Laboratory equipment	548,200.00	1,040,865.00
Internal exams	50,000.00	0.00
Teaching / learning materials	2,166,724.00	393,319.50
Chalks	21,572.00	0.00
Library	20,000.00	
Total	3,831,702.00	1,434,184.50

2 Capitation Grant for Operations

	Kshs	Kshs
Personnel emoluments	4,293,034.90	1,929,603.20
Repairs and maintenance	4,707,500.00	4,394,000.00
Local transport / travelling	869,604.00	1,000,000.00
Electricity and water	805,082.00	27,522.15
Other Voteheads	5,450,501.80	0.00
Administration costs	750,244.68	1,624,990.85
Activity	0.00	0.00
Total	16,875,967.38	8,976,116.20

3 Parents Contribution/Fees - School Fund Account

	Kshs	Kshs
Personnel emoluments	5,884,752.75	1,641,145.00
Repairs and maintenance	3,916,067.00	1,186,176.00
Local transport / travelling	2,302,405.00	345,820.00
Electricity and water	8,970,066.00	2,414,497.00
Administration costs	5,007,829.00	1,086,225.00
Fee on Boarding Equipment and Stores	43,224,819.75	13,635,242.00
Activity	797,975.00	73,845.00
Total	70,103,914.50	20,382,950.00

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

	1st July 2021- 30th June 2022	1st January 2021- 30th June 2021
	Kshs	Kshs
Rent income	111,850.00	47,300.00
Income from farming activities	1,400,530.00	209,946.00
Pocket Money	1,101,428.00	223,450.00
Clubs and Society	351,368.00	139,940.00
Bus Levy	95,062.00	2,277,793.00
Other Incomes	414,800.00	0.00
Tender	123,000.00	0.00
Total	3,598,038.00	2,898,429.00

Other incomes include money from rent, farm activities, tender, clubs etc

5 Payments For Tuition

	Kshs	Kshs
Exercise books	700,000.00	0.00
Laboratory equipment	2,142,136.70	416,907.20
Teaching / learning materials	1,575,760.00	418,000.00
Bank Charges	0.00	30.00
Total	4,417,896.70	834,937.20

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Notes To The Financial Statements (Continued)

6 Payments For Operations

	1st July 2021- 30th June 2022	1st January 2021- 30th June 2021
	Kshs	Kshs
Personnel emoluments	7,394,255.00	2,681,029.00
Administration Cost	2,274,495.77	1,799,546.40
Repairs and maintenance & improvements	9,728,828.95	4,417,412.00
Local transport / travelling	1,257,151.18	1,299,723.41
Electricity and water	1,050,596.75	142,010.00
Activity Expenses	21,000.00	0.00
Bank Charges	814.57	179.99
TOTAL	21,727,142.22	10,339,900.80

7 – Boarding And School Fund Payments

	Kshs	Kshs
Personnel emoluments	3,794,979.00	1,871,861.00
Repairs and maintenance & Improvements	1,939,194.00	356,265.00
Local transport / travelling	4,005,228.70	1,007,365.00
Electricity and water	5,725,059.70	2,379,673.35
Clubs and Society	265,075.00	159,000.00
Administration costs	5,477,628.66	2,446,640.26
Pocket money	1,312,384.00	163,500.00
Bank Charges	40,133.60	0.00
Expenses on Farm Activities	1,399,638.95	709,009.34
Boarding Equipment and Stores	46,514,528.04	14,355,621.85
Rent Expenses	0.00	129,625.00
Activity	704,423.00	180,900.00
Bus Expense	1,954,500.00	1,107,579.00
Tender	112,000.00	0.00
Other Incomes	199,485.00	0.00
TOTAL	73,444,257.65	24,867,039.80

Notes To The Financial Statements (Continued)

8 I. Bank Balances

Name of Bank, Account No. & currency	Bank Account Number	30 th June 2022	30 th June 2021
		Kshs	Kshs
Tuition Account		81,464.20	2,880.20
Operations Account		248,700.96	341,466.85
EQUITY		14,713.24	0.00
Savings Account		22,440.05	22,440.05
Income generating activities Account		0.00	0.00
Infrastructural Account		35,016.05	2,988,036.00
Total		402,334.50	3,354,823.10
8. ii			
Name of Bank, Account No. & currency	Bank Account Number	30 th June 2022	30 th June 2021
		Kshs	Kshs
EQUITY		0.00	577,320.72
ABSA		172,118.63	523,164.08
Total		172,118.63	1,100,484.80

9 Cash In Hand

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	5,788.00	33,231.00
School Fund account	4,894.00	157,049.00
Total	10,682.00	190,280.00

Notes To The Financial Statements (Continued)

10 Accounts Receivable

Description	30th June 2022	30th June 2021
	Kshs	Kshs
Fees arrears	4,553,379.25	3,686,916.25
Total	4,553,379.25	3,686,916.25
[Include an ageing of the fees / non fees arrears below]		
Description		
	Kshs	Kshs
Fees arrears for current year	2,662,791.00	2,646,282.00
Fees arrears for the previous year	2,646,282.00	4,440,177.00
Fees arrears for prior periods (over two years)	1,040,634.25	1,475,041.00
Fees arrears received during the year	1,796,328.00	4,874,583.75
Total	4,553,379.25	3,686,916.25

11 Accounts Payable

Description		
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	7,860,064.26	2,817,139.00
Prepaid fees	4,797,763.00	5,998,271.00
Retention monies	0.00	0.00
Total	12,657,827.26	8,815,410.00
[Include an ageing of the creditor's arrears below]		
Description		
	Kshs	Kshs
Trade creditors for current year	6,468,412.26	1,285,585.00
Trade creditors for the previous year	1,285,585.00	2,291,904.00
Trade creditors for prior periods (over two years)	1,531,554.00	198,400.00
Trade creditors paid	1,425,487.00	958,750.00
Total	7,860,064.26	2,817,139.00

Notes To The Financial Statements (Continued)

12 Fund Balance Brought Forward

Description	30 th June 2022	30 th June 2021
	Kshs	Kshs
Bank balances	402,334.50	3,354,823.10
Cash balances	10,682.00	190,280.00
Short Term Investments	0.00	0.00
Receivables	4,553,379.25	3,686,916.25
Payables	12,657,827.26	8,815,410.00
Total	7,691,431.51	1,583,390.65

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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.

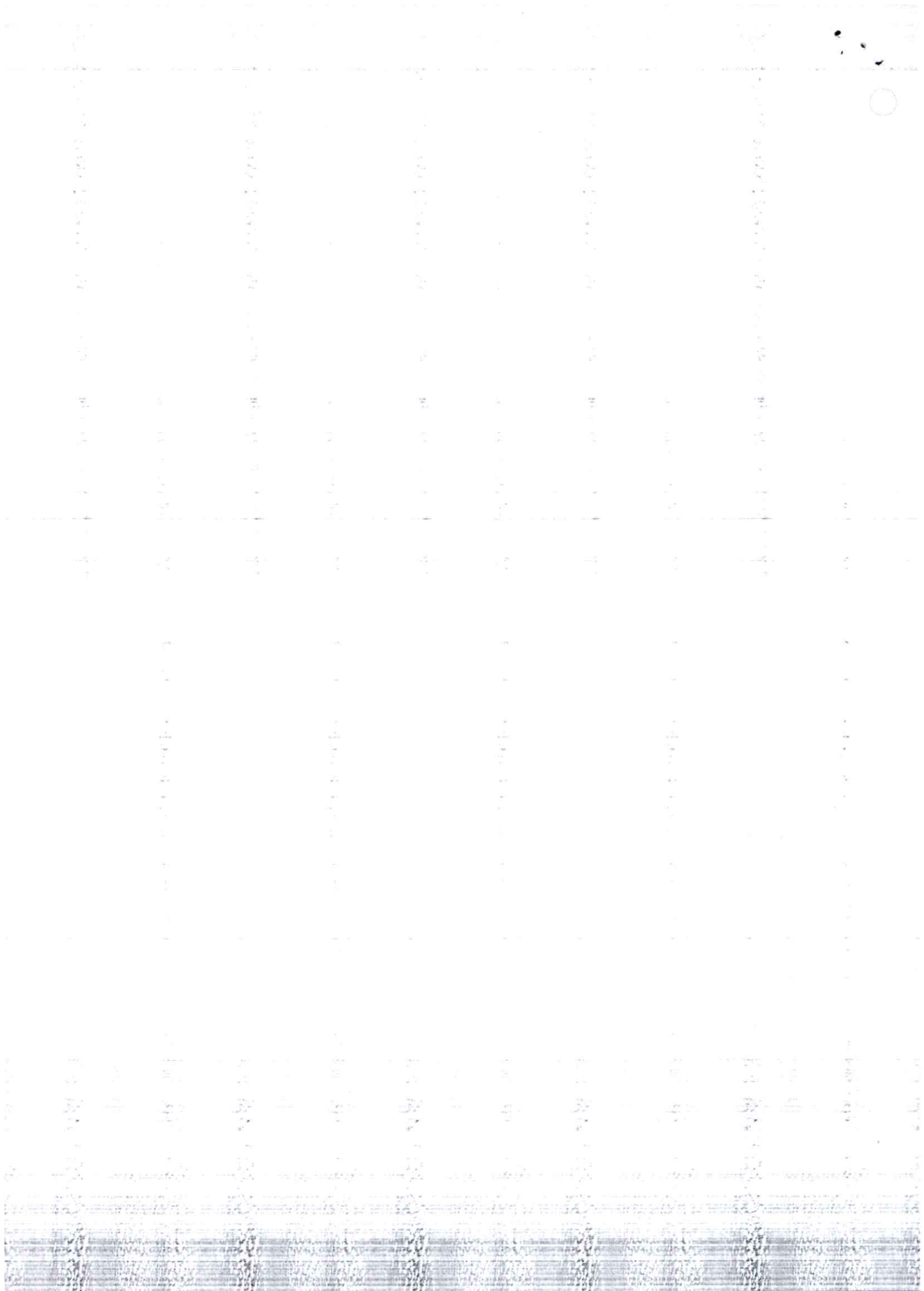
13 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Pigs		455,000.00	526,500.00
Sheep		126,000.00	99,000.00
Cows		160,000.00	160,000.00
Geese		32,500.00	32,500.00
Rabbits		2,500.00	2,500.00
Fish		9,000.00	9,000.00
Trees	5,969pcs		
Total		785,000.00	653,000.00

Other important disclosure notes

14 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Inventory		
Stock/ inventory at beginning of the year	4,686,377.00	2,158,628.00
Stock/ inventory purchased during the year	39,693,948.00	16,909,816.00
Stock/ inventory issued during the year	(41,177,382.00)	(14,082,067.00)
Balance at end of the year	3,202,943.00	4,686,377.00



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15 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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1. ULTIMART HOME FINISHES	96,500.00	13/06/2022	NIL	96,500.00	96,500.00	
2. ULTIMART HOME FINISHES	77,000.00	09/06/2022	NIL	77,000.00	77,000.00	
3. ULTIMART HOME FINISHES	75,000.00	29/03/2022	NIL	75,000.00	75,000.00	
4. ULTIMART HOME FINISHES	14,800.00	07/03/2022	NIL	14,800.00	14,800.00	
5. ULTIMART HOME FINISHES	7,650.00	12/07/2022	NIL	7,650.00	7,650.00	
Sub-Total	270,950.00		NIL	270,950.00	270,950.00	
Supply of goods						
6. CENTRAL SCIENTIFIC SUPPLIES LTD	107,066.70	10/06/2022	NIL	107,066.70	107,066.70	
7. CENTRAL SCIENTIFIC SUPPLIES LTD	26,984	10/06/2022	NIL	26,984.00	26,984.00	
8. SMART FALCON ENTERPRISES	60,000.00	17/06/2021	NIL	60,000.00	60,000.00	
9. AGENIX ENTERPRISES	1,465,200.00	06/05/2022	700,000.00	765,200.00	765,200.00	
10. KARLO PLUMBING & SERVICES	10,610.00	14/06/2022	NIL	10,610.00	10,610.00	
11. MASTIKIA ENTERPRISES	260,960.00	30/06/2022	NIL	260,960.00	260,960.00	
12. MASTIKIA ENTERPRISES	351,360.00	31/05/2022	NIL	351,360.00	351,360.00	
13. POPSY JUDY FARM	561,095.00	30/06/2020	NIL	561,095.00	561,095.00	
14. JAWCHANGA ENTERPRISES	78,705.00	31/12/2021	NIL	78,705.00	78,705.00	
15. PINPOINT REVISION SERIES	19,200.00	21/06/2022	NIL	19,200.00	19,200.00	
16. JAWCHANGA ENTERPRISES	99,799.00	31/10/2021	NIL	99,799.00	99,799.00	
17. NAIPOSHA ELECTRICALS	8,100.00	05/11/2021	NIL	8,100.00	8,100.00	
18. NAIPOSHA ELECTRICALS	13,000.00	4/11/2021	NIL	13,000.00	13,000.00	
19. BURETTE TECHNOLOGIES	198,400.00	2019	NIL	198,400.00	198,400.00	
20. NAIPOSHA ELECTRICALS	7,300.00	12/05/2022	NIL	7,300.00	7,300.00	
21. NAIPOSHA ELECTRICALS	1,500.00	27/05/2022	NIL	1,500.00	1,500.00	
22. NAIPOSHA ELECTRICALS	6,600.00	13/06/2022	NIL	6,600.00	6,600.00	
23. NAIPOSHA ELECTRICALS	2,400.00	16/06/2022	NIL	2,400.00	2,400.00	

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
24. NAIPOSHA ELECTRICALS	9,030.00	18/6/2022	NIL	9,030.00	9,030.00	
25. NAIPOSHA ELECTRICALS	5,750.00	24/06/2022	NIL	5,750.00	5,750.00	
26. JOFLAM ENTERPRISES	24,600.00	08/11/2021	NIL	24,600.00	24,600.00	
27. JOFLAM ENTERPRISES	82,000.00	13/07/2022	NIL	82,000.00	82,000.00	
28. JOFLAM ENTERPRISES	102,500.00	13/07/2022	NIL	102,500.00	102,500.00	
29. JOFLAM ENTERPRISES	3,900.00	02/11/2022	NIL	3,900.00	3,900.00	
30. JOFLAM ENTERPRISES	6,200.00	14/01/2022	NIL	6,200.00	6,200.00	
31. JOFLAM ENTERPRISES	11,500.00	23/08/2022	NIL	11,500.00	11,500.00	
32. JOFLAM ENTERPRISES	6,100.00	01/08/2022	NIL	6,100.00	6,100.00	
33. JOFLAM ENTERPRISES	18,400.00	16/09/2021	NIL	18,400.00	18,400.00	
34. NJORO & WAGES LTD	649,680.00	30/06/2022	NIL	649,680.00	649,680.00	
35. DPL FESTIVE LTD	582,142.56	30/06/2022	NIL	582,142.56	582,142.56	
36. NAIVASHA WATER AND SANITATION CO.LTD	21,800.00	30/06/2022	NIL	21,800.00	21,800.00	
37. FIVE WATERS CLEANERS LTD	11,600.00	07/02/2022	NIL	11,600.00	11,600.00	
38. FIVE WATERS CLEANERS LTD	960,000.00	23/05/2022	NIL	960,000.00	960,000.00	
39. FIVE WATERS CLEANERS LTD	180,000.00	11/02/2022	NIL	180,000.00	180,000.00	
40. PRINTERBASE ENTERPRISES	468,000.00	03/06/2022	NIL	468,000.00	468,000.00	
41. PETKESA INVESTMENT	230,100.00	31/05/2022	NIL	230,100.00	230,100.00	
42. ZIOCHEM COMPANY LTD	20,400.00	13/05/2022	NIL	20,400.00	20,400.00	
43. ZIOCHEM COMPANY LTD	6,450.00	14/05/2022	NIL	6,450.00	6,450.00	
44. ZIOCHEM COMPANY LTD	42,100.00	13/06/2022	NIL	42,100.00	42,100.00	
45. ZIOCHEM COMPANY LTD	18,500.00	01/06/2022	NIL	18,500.00	18,500.00	
46. ZIOCHEM COMPANY LTD	2,500.00	16/06/2022	NIL	2,500.00	2,500.00	
47. ZIOCHEM COMPANY LTD	13,500.00	16/06/2022	NIL	13,500.00	13,500.00	
48. ZIOCHEM COMPANY LTD	11,700.00	20/06/2022	NIL	11,700.00	11,700.00	
49. ZIOCHEM COMPANY LTD	1,300.00	20/06/2022	NIL	1,300.00	1,300.00	
50. ZIOCHEM COMPANY LTD	39,800.00	21/06/2022	NIL	39,800.00	39,800.00	
51. ZIOCHEM COMPANY LTD	20,000.00	24/06/2022	NIL	20,000.00	20,000.00	
52. ZIOCHEM COMPANY LTD	18,500.00	27/05/2022	NIL	18,500.00	18,500.00	

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
53. BERNET ENTERPRISES LTD	100,000.00	07/09/2021	NIL	100,000.00	100,000.00	
54. ULTISMART HOME FINISHES	11,300.00	04/04/2022	NIL	11,300.00	11,300.00	
55. ULTISMART HOME FINISHES	4,000.00	28/04/2022	NIL	4,000.00	4,000.00	
56. ULTISMART HOME FINISHES	72,040.00	19/05/2022	NIL	72,040.00	72,040.00	
57. ULTISMART HOME FINISHES	10,100.00	28/05/2022	NIL	10,100.00	10,100.00	
58. ULTISMART HOME FINISHES	1,830.00	30/06/2022	NIL	1,830.00	1,830.00	
59. ULTISMART HOME FINISHES	12,480.00	30/06/2022	NIL	12,480.00	12,480.00	
60. ULTISMART HOME FINISHES	66,730.00	13/06/2022	NIL	66,730.00	66,730.00	
61. ULTISMART HOME FINISHES	16,760.00	21/06/2022	NIL	16,760.00	16,760.00	
62. ZIOCHEM COMPANY LTD	31,500.00	03/03/2022	NIL	31,500.00	31,500.00	
63. ZIOCHEM COMPANY LTD	6,000.00	17/02/2022	NIL	6,000.00	6,000.00	
64. ULTISMART HOME FINISHES	2,200.00	03/06/2022	NIL	2,200.00	2,200.00	
65. ULTISMART HOME FINISHES	20,980.00	30/12/2021	NIL	20,980.00	20,980.00	
66. ULTISMART HOME FINISHES	24,900	20/12/2022	NIL	24,900.00	24,900.00	
67. ULTISMART HOME FINISHES	35,000.00	18/12/2022	NIL	35,000.00	35,000.00	
68. ULTISMART HOME FINISHES	8,400.00	15/10/2021	NIL	8,400.00	8,400.00	
69. ULTISMART HOME FINISHES	50,900.00	19/11/2021	NIL	50,900.00	50,900.00	
70. ULTISMART HOME FINISHES	5,500.00	16/11/2021	NIL	5,500.00	5,500.00	
71. ULTISMART HOME FINISHES	30,560.00	20/11/2021	NIL	30,560.00	30,560.00	
72. ULTISMART HOME FINISHES	9,300.00	22/12/2021	NIL	9,300.00	9,300.00	
Sub-Total	7,366,812.26		700,000.00	6,666,812.26	6,666,812.26	
Supply of services						
Sub-Total	7,637,762.26		700,000.00	6,937,762.26	6,937,762.26	
Grand Total						

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land 1	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	210,000,000.00	-	-	210,000,000.00
Buildings And Structures	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	207,771,746.63	11,628,165.93	-	219,399,912.20
Motor Vehicles	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	11,750,000.00	-	-	11,750,000.00
Office Equipment, Furniture And Fittings	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	4,773,600.00	-	-	4,773,600.00
ICT Equipment, And Other ICT Assets	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	5,005,000.00	-	-	5,005,000.00
Tools And Apparatus	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	9,080,800.00	4,602,820.00	-	13,683,620.00
Textbooks	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	40,000,000.00	-	-	40,000,000.00
Other Machinery And Equipment	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	25,373,000.00	-	-	25,373,000.00
Intangible Assets- Soft Ware	BALANCE B/F	NAIVASHA GIRLS SEC. SCHOOL	735,000.00	-	-	735,000.00
Total			514,489,146.63	16,230,985.93		530,720,132.20

