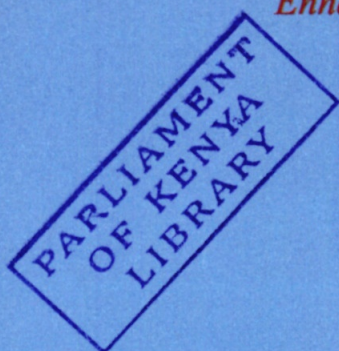


REPUBLIC OF KENYA



Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	27 NOV 2024
TABLED BY:	Leader of Majority
OF	Lomale.
CLERK AT THE TABLE:	
	DAY: Wednesday

THE AUDITOR-GENERAL

ON

NAIROBI SCHOOL

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

NAIROBI CITY COUNTY

Revised 30th June 2022.



NAIROBI 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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ASST. REC. II

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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 Nairobi County, Westland's Sub-County.

The school was registered in 20th November 2003 under registration number GP/A/2823/2003 and is currently categorized as a *National* public school established, owned or operated by the Government.

The school is a day/boarding school and had 2263 number of students as at 30th June 2022. It has 11 streams and 95 teachers of which 21 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	Mrs Rebeccah Murigu	Chairperson	19/05/2022
2	Mr Caspal Maina	Chief Principal/Secretary BOM	19/05/2022
3	Dr.Eng Joseph Siror	Member	19/05/2022
4	Ms Tabby Rose Wanja	Member	19/05/2022
5	Mr Charles Mbuvi	Deputy Chairperson	19/05/2022
6	Mr.Kero M. Tadiko	Member	19/05/2022
7	Ms Saaida Kontoma	Member	19/05/2022
8	CHRP (K) Joel Kipkemoi Kemei	Member	19/05/2022
9	Ms Alice Gatoto	Member	19/05/2022
10	Mr. Martin Muturi Karugu	Member	19/05/2022
11	Ms Ngari Janet Muthoni	Member	19/05/2022
12	Mr Robert Masese	Member	19/05/2022
13	Mr Ambrose D.O Rachier	Member	19/05/2022
14	Mr Muchiri Wahome	Member	19/05/2022
15	Joseph Musembi	Rep Students	19/05/2022
16	Eng. Joseph Murage	Coopted	19/05/2022
17	Mr. Gershom Otachi	Coopted	19/05/2022
18	Captain Mercy Makau	Coopted	19/05/2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

1	Executive Committee	1. Mrs. Rebecca Murigu 2. Mr. Caspal Maina 3. Ms Tabby Rose Wanjwa 4. Mr. Robert Masese 5. Mr. Muchiri Wahome	BOM Chairperson ChiefPrincipal/Secretary PA Chairperson Member Member	2 out of 3 2 out of 3 2 out of 3 2 out of 3 2 out of 3
2	Finance, Procurement and General purposes Committee	1. Charles Mbuvi 2. Dr. Joseph Siror	Chairman Member	1 out of 1 1 out of 1

		3. Mr. Martin Karugu	Member	1 out of 1
		4. Ms Saadia Kontoma	Member	1 out of 1
		5. Ms Tabby Rose Wanja	Member	1 out of 1
3	Academic Standards ,Quality & Enviroment Committee	1. Mr. Charles Mbuvi	Chairman	2 out of 3
		2. Ms Alice Gatoto	Member	2 out of 3
		3. Mrs Janet Mukuvi	Member	2 out of 3
		4. Ms Tabby Rose Wanja	Member	2 out of 3
		5. Mr. Joel Kemei	Member	2 out of 3
		6. Mr. Muchiri Wahome	Member	2 out of 3
4	School Infrastrucure Committee(Sic)	1. Eng. Joseph Murage	Chairman	3 out of 3
		2. Mr. Hudson Musyoki	Secretary	3 out of 3

		3. Ms Tabby Rose Wanja	PA Chairperson	3 out of 3
		4. Mrs Rebecca Murigu	Bom Chairperson	3 out of 3
		5. SCDE	MOE Rep	3 out of 3
		6. Mr. Caspal Maina	Chief Principal	3 out of 3
5	Discipline, Welfare ,Ethics & Integrity Committee	1. Mr. Robert Masese	Chairman	3 out of 3
		2. Mr. Joel Kemei	Member	3 out of 3
		3. Mrs Rebecca Murigu	Member	3 out of 3
		4. Mr.Ambrose Rachier	Member	3 out of 3
		5. Mr. Tandiko Kero	Member	3 out of 3
		6. Ms Saadia Kontoma	Member	3 out of 3

6	School Resources Mobilisation Committee	1. Mr. Robert Masese	Chairman	1 out of 1
		2. Mr. Joel Kemei	Member	1 out of 1
		3. Ms. Tabby Rose Wanja	Member	1 out of 1
		4. Mr. Martin Karugu	Member	1 out of 1
		5. Ms Saadia Kontoma	Member	1 out of 1

(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	Identification
1	Chief Principal	Mr Caspal Maina	335087
2	Deputy Principal-Administration	Mr Hudson Musyoki	390443
3	Deputy Principal-Academics	Mrs Mary Wangio	190656
4	Deputy Principal-Policy & Planning	Mr Josphat Musili	347813
5	Finance Officer	Mr Anthony King'ori	22629083

(e) Schools contacts

Post Office Box: 30047-00100 Nairobi
Telephone: 0723 419 660
E-mail: info@nairobischool.co.ke
Website: www.nairobischool.co.ke
Facebook:
Twitter:

(f) School Bankers

The School operated 8 Bank Accounts in the following banks:

1. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1106826566
2. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1107119510
3. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1107119642
4. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1108502369
5. Name of Bank: EQUITY BANK
Branch: WESTLANDS
Account Number: 0550298106892
6. Name of Bank: KENYA COMMERCIAL BANK
Branch: SARIT CENTRE
Account Number: 1271989980
7. Name of Bank: COOPERATIVE BANK
Branch: UNIVERSITY WAY, NAIROBI
Account Number: 01129084055400
8. Name of Bank: ABSA BANK
Branch: ABC BRANCH
Account Number: 2026474070
9. Mpesa Paybill No. 400222 attached to Cooperative Bank Account.

(g) Independent Auditors

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

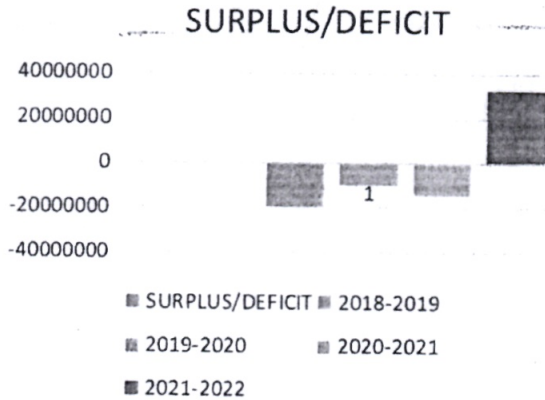
3. Summary Report of Performance of The School

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

a) Financial performance:

a) Financial performance:

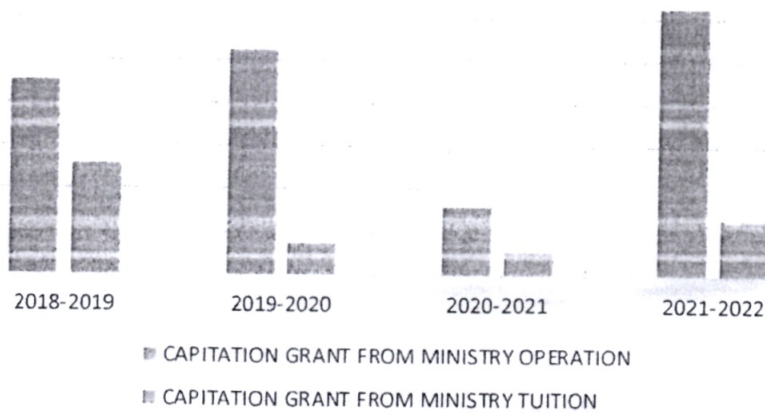
SURPLUS/DEFICIT	
2018-2019	(19,410,489.57)
2019-2020	(10,152,738.70)
2020-2021	(13,885,491.42)
2021-2022	32,660,150.50



CAPITATION GRANT FROM MINISTRY

	OPERATION	TUITION
2018-2019	22,725,172.44	12,901,948.35
2019-2020	26,445,800.00	3,751,981.00
2020-2021	7,900,169.89	2,798,353.25
2021-2022	31,360,178.16	6,492,863.40

CAPITATION GRANT FROM MINISTRY



RATIO OF CAPITATION GRANT PER STUDENT

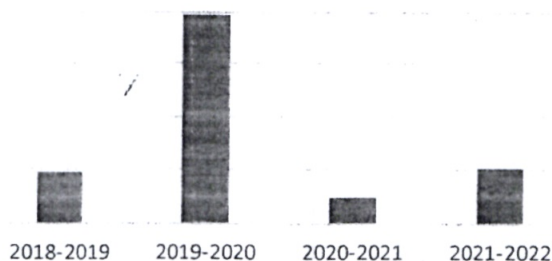
RATIO OF CAPITATION GRANT PER STUDENT			
YEAR	GRANT	NO OF STUDENTS	
2018-2019	35,627,120.79	1750	20,358.35
2019-2020	30,197,781.00	2020	14,949.40
2020-2021	10,698,523.14	2197	4,869.61
2021-2022	37,853,041.56	2263	16,726.93

OVERVIEW OF GROWTH OF OTHER INCOME

GROWTH OF OTHER INCOME

YEAR	INCOME
2018-2019	18,648,459.25
2019-2020	78,966,048.84
2020-2021	9,604,394.80
2021-2022	20,664,006.73

**GROWTH OF OTHER INCOME
INCOME**

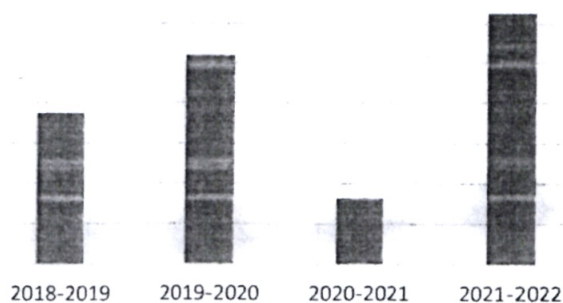


OVERVIEW OF GROWTH IN EXPENDITURE

GROWTH IN EXPENDITURE

YEAR	EXPENDITURE
2018-2019	186,908,862.21
2019-2020	259,447,420.64
2020-2021	80,759,360.77
2021-2022	312,042,347.27

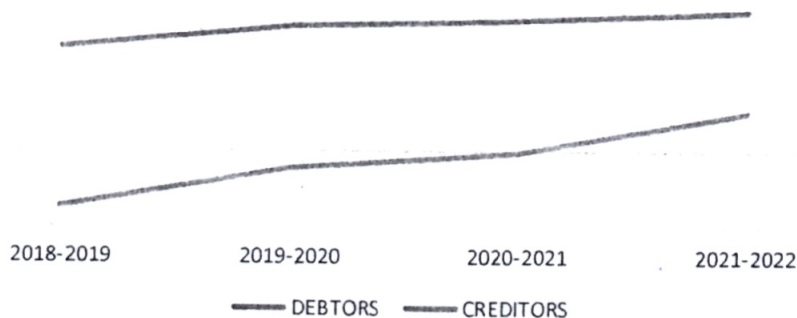
**GROWTH IN EXPENDITURE
EXPENDITURE**



MOVEMENT OF DEBTORS AND CREDITORS

YEAR	DEBTORS	CREDITORS
2018-2019	117,876,520.58	12,807,437.50
2019-2020	131,540,872.92	38,233,922.65
2020-2021	134,755,381.55	49,036,163.45
2021-2022	141,033,811.81	75,683,478.63

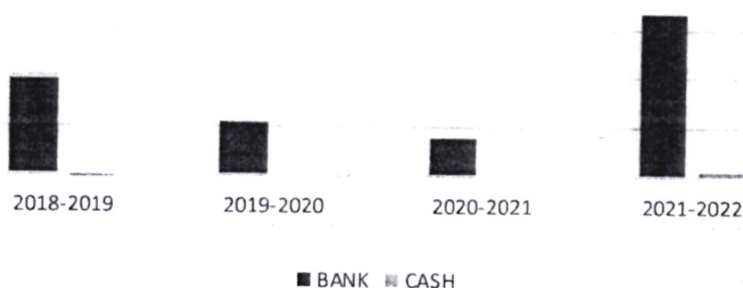
MOVEMENT OF DEBTORS AND CREDITORS



CASH AND BANK BALANCES

YEAR	BANK	CASH
2018-2019	39,468,269.53	(379,849.65)
2019-2020	22,153,805.73	64,729.20
2020-2021	15,553,232.48	367,543.20
2021-2022	66,914,980.90	2,034,830.20

CASH AND BANK BALANCES



b) Teacher Student ratio:

As from July 2021 to June 2022. One Teacher transferred from the School and One Teacher passed on

The School had 74 Teachers employed by Teachers Service Commission and 21 Teachers employed by Board of Management.

The table below shows the number of Teachers required, Present and the shortage per subject.

TEACHING SUBJECT	NO. REQUIRED	PRESENT (TSC)	PRESENT (BOM)	SHORTAGE
CRE	4	3	1	0
KISWAHILI	12	8	3	1
MATHS	12	10	3	1
ENGLISH/LIT	13	11	2	1
BIOLOGY	9	6	3	3
CHEMISTRY	9	9	1	0
PHYSICS	9	7	3	0
B/STUDIES	4	4	1	0
FRENCH	1	1	0	0
DRAWING & DESIGN	1	1	0	0
GEOGRAPHY	4	3	1	1
HISTORY	6	6	0	0
ART/ART	1	1	0	0
COMPUTER	2	1	0	1
AGRICULTURE	1	1	0	0
MUSIC	1	1	1	0
AVIATION	1	0	1	1
PHYSICAL EDUCATION	2	0	1	1
IRE	1	1	0	0
TOTAL	93	74	21	19

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

Mean score in the 2019,2020 & 2021 KCSE:

YEAR	ENROLLMENT	MEAN	TRANSITION	SCHOOL TARGET	COMMENTS
2021	526	9.000 (B)	461	10.75 (A-)	Negative Deviation of 0.40
2020	373	9.410 (B)	351	10.06 (A-)	Negative Deviation of 0.09
2019	353	9.50 (B+)	330	10.05 (B+)	Positive Deviation of 1.488

c) Number of Candidates in the 2021 KCSE:

YEAR	NUMBERS
2021	526
2020	373
2019	353

d) Capacity of the school:

i) Students enrolments for the last Three Years

YEAR	NUMBERS
2021-2022	2263
2020-2021	2197
2019-2020	2020

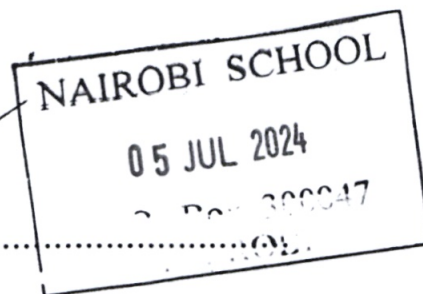
ii) School Facilities

SCHOOL FACILITIES	NUMBER	REQUIRED	SHORTAGE
<i>Dormitories</i>	8	10	2
<i>Dining Hall</i>	3	4	1
<i>Laboratories</i>	9	12	3
<i>Toilets</i>	150	180	30
<i>Library</i>	1	2	1
<i>Classrooms</i>	38	48	5
<i>Chapel</i>	1	2	1
TOTAL	200	258	53

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	Kenya National Highways Authority	Ongoing	149,250,000.00	61,095,208.30	29/02/2022

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.



.....
Name: Rebecca Murigu

Designation: Chairman, School Board of Management

Date:



.....
Name: Caspal Maina

Designation: School Principal & Secretary to Board of Management

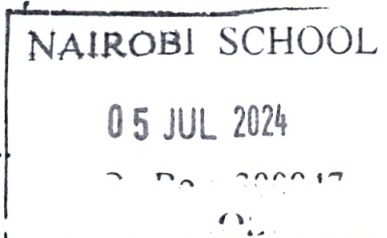
Date:



.....
Name: Anthony King'ori

Designation: Bursar/ Finance Officer

Date: 3/7/24



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 NAIROBI SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – NAIROBI CITY 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 the 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.

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 Nairobi School - Nairobi City County set out on pages 1 to 28, which comprise of the statement of assets and liabilities

as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nairobi School - Nairobi City 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Bank Balances

The statement of assets and liabilities reflects a balance of Kshs.68,949,811 in respect to cash and cash equivalents which includes bank balances of Kshs.66,914,980 which further includes a balance of Kshs.1,364,578 and a balance of Kshs.32,065,861 in respect to savings and School fees collection accounts respectively whose cash books and monthly bank reconciliation statements were not provided for audit review.

In the circumstances, the accuracy and completeness of Kshs.66,914,980 in respect to bank balances could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Nairobi 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 budget versus actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.454,728,376 and Kshs.344,702,498 respectively, resulting to underfunding of Kshs.110,025,878 or 24% of the budget. However, the School spent an amount of Kshs.312,042,347 against actual receipts of Kshs.344,702,498 resulting in under-utilization of Kshs.32,660,151 or 10% of actual receipts.

The underfunding and under-expenditure affected the planned activities and negatively impacted 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, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

The statement of receipts and payments reflects operations grants amount of Kshs.120,273,342 as disclosed in Notes 2 and 3 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the grants is an amount of Kshs.90,652,164 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.88,913,164 was transferred to infrastructure account, leaving a balance of Kshs.1,739,000 as at 30 June, 2022. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which requires infrastructure grants as well as maintenance and improvement funds to be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operation account.

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

2. Failure to Prepare School Improvement Plan

During the year under review, the school did not have 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 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 and based on the audit procedures performed, except for the matters 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

1. Lack of Adequate Facilities in the Institution

Analysis of the learning environment of the School revealed that the School had shortages in respect to the following facilities however, evidence of measures taken by Management to reduce the shortage;

School Facilities	Required	Number in Place	Shortage
Teachers TSC	93	74	19
Dormitories	10	8	2
Dining Hall	4	3	1
Laboratories	12	9	3
Toilets	180	140	40
Library	2	1	1
Classrooms	48	38	10
Chapel	2	1	1

In the circumstances, existence of a conducive learning environment could not be confirmed.

2. Lack of an Approved ICT Policy and Disaster Recovery Plan

The School uses various computerized information management systems. However, Management did not provide for audit review, an approved ICT policy, disaster recovery plan and an ICT strategic plan.

In the circumstances, the reliability, integrity and recoverability of the School data could not be confirmed.

3. Failure to Maintain Assets Register

Management did not maintain an assets register which includes critical information including historical cost, location of the assets, description and serial numbers of assets owned by the School. Further, Annex 2 to the financial statements present a summary of fixed assets register which did not reflect any historical values of assets, additions and disposals, if any, during the year.

In the circumstances, the existence of effective measures on the ass could not be confirmed.

4. Failure to Maintain Bursaries/Scholarships Vote Head

During the year, the School received bursary disbursements and scholarships from the National Government Constituencies Development Fund and other donors in respect to needy students. However, Management did not maintain a list of beneficiaries for both bursary grants and scholarships indicating the name of beneficiary, admission number, amount received and the financier/donors during the year.

In the circumstances, effectiveness of the bursary and scholarship could not be confirmed.

5. Ineffectiveness in Textbook Management

Review of the School's library records revealed that there was a shortage in respect to various set books used by form three and form four students. The total number of learners in form three and form four in the year was one thousand and thirty-two (1,032) whereas there were only five hundred and seventy-six (576) copies each in respect to four set books resulting in a deficit of four hundred and fifty-six (456) books per set book.

In the circumstances, the unfavorable students per book ratio may inconvenience learners hence affecting their academic performance.

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 control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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 Gatundu, CBS
AUDITOR-GENERAL

Nairobi

25 September, 2024

6. Statement Of Receipts and Payments For the Year Ended 30th June 2022

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	6,492,863.40	2,798,353.25
Government grants for operations	2	31,360,178.16	7,900,169.89
Government Grants for infrastructure	3	88,913,164.00	7,089,009.60
School fund income- parents' contributions	4	197,272,285.48	39,481,941.81
Miscellaneous incomes	5	20,664,006.73	9,604,394.80
Total Receipts		344,702,497.77	66,873,869.35
Payments			
Tuition	6	7,439,599.00	2,323,505.00
Operations	7	22,350,699.00	10,365,648.59
Infrastructure	8	89,869,263.45	2,593,675.00
Boarding and school fund	9	192,382,785.82	65,476,532.18
Total Payments		312,042,347.27	80,759,360.77
Surplus/Deficit		32,660,150.50	(13,885,491.42)

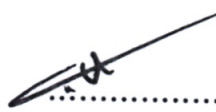
The school financial statements were approved on 31/6/2022 and signed by:



Name: Rebecca Murigu

Chair BOM

Date:



Name: Caspal Maina
School Principal/ Secretary to
BOM

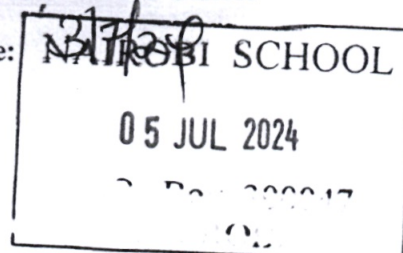
Date:



Name: Anthony Kingori

Bursar/ Finance Officer

Date:



7. Statement of Assets and Liabilities As At 30th June 2022

Description	Note	2021-2022 Kshs	2020-2021 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	66,914,980.90	15,553,232.48
Cash balances	11	2,034,830.20	367,543.20
Short term investments	12	-	-
Total cash and cash equivalent		68,949,811.10	15,920,775.68
Account's receivables	13	141,033,811.81	134,755,381.55
Total financial assets		209,983,622.91	150,676,157.23
Financial liabilities			
Accounts payables	14	75,683,478.63	49,036,163.45
Net financial assets		134,300,144.28	101,639,993.78
Represented by			
Accumulated fund b/fwd.	15	101,639,993.78	115,525,485.20
Surplus/deficit for the year		32,660,150.50	(13,885,491.42)
Net financial position		134,300,144.28	101,639,993.78

The school's financial statements were approved on 30/6/22 2022 and signed by:

.....
Name: Rebecca Murigu

Chair BOM

Date:

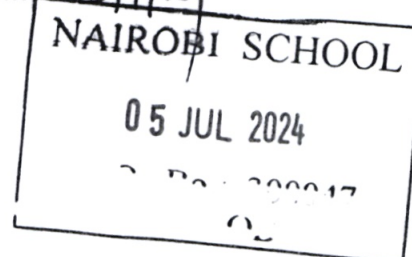
.....
Name: Caspal Maina
School Principal/ Secretary to
BOM

Date:

.....
Name: Anthony Kingori

Bursar/ Finance Officer

Date: 3/7/22



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

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		6,492,863.40	2,798,353.25
Government grants for operations		31,360,178.16	7,900,169.89
Government grants for infrastructure		88,913,164.00	7,089,009.60
School fund income- parents contributions/ fees		252,035,887.61	44,117,309.00
Other incomes		20,689,506.73	7,048,845.80
Total receipts		399,491,599.90	68,953,687.54
Payments			
Cash outflows for tuition		7,439,599.00	2,046,753.00
Cash outflows for operations		22,350,699.00	10,365,648.59
Cash outflows for infrastructure		89,869,263.45	714,775.00
Cash outflows Boarding/lunch and school fund payments		226,803,003.03	56,248,714.20
Cash outflows other incomes		-	5,875,556.00
Total payments		346,462,564.48	75,251,446.79
Net cash inflow/outflow from operating activities		53,029,035.42	(6,297,759.25)
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			
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		53,029,035.42	(6,297,759.25)

NAIROBI SCHOOL


Annual Report and Financial Statements for the Period ended 30th June 2022


Cash and cash equivalent at beginning of the FY		15,920,775.68	22,218,534.93
Cash and cash equivalent at end of the FY		68,949,811.10	15,920,775.68


Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

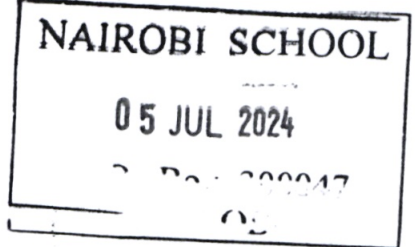
(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).

The school's financial statements were approved on 30/8/2022 and signed by:


.....
Name: Rebecca Murigu
Chair BOM
Date:


.....
Name: Caspal Maina
School Principal/ Secretary to BOM
Date:


.....
Name: Anthony Kingori
Bursar/ Finance Officer
Date: 3/7/24



9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

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					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	10,481,652.80	-	10,481,652.80	6,492,863.40	62%
Exams And Assessment					
(2) Capitation Grant on Operations					
Personnel Emoluments	13,776,254.78	-	13,776,254.78	13,168,118.42	96%
Repairs And Maintenance	12,088,000.00	-	12,088,000.00	4,194,154.10	35%
Local Transport / Travelling	2,622,402.24	-	2,622,402.24	2,319,986.97	88%
Electricity And Water	2,695,682.90	-	2,695,682.90	2,393,247.45	89%
Medical	4,417,600.00	-	4,417,600.00	417,420.72	9%
Administration Costs	2,519,682.69	-	2,519,682.69	2,488,750.50	99%
Activity	3,000,000.00	-	3,000,000.00	-	0%

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
Gratuity	-	-	-	-	
Repairs And Maintenance(Gok)	-	-	-	6,378,500.00	
3) FDSE for infrastructure					
Maintenance &Improvement MoE	111,530,000.00	-	111,530,000.00	88,913,164.00	80%
M&I parents' contribution	25,366,000.00	-	25,366,000.00		0%
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	25,752,080.00	-	25,752,080.00	22,179,063.73	86%
Repairs And Maintenance	11,510,880.00	-	11,510,880.00	10,267,024.16	89%
Local Transport / Travelling	8,088,800.00	-	8,088,800.00	7,235,483.28	89%
Electricity And Water	21,786,000.00	-	21,786,000.00	20,801,706.60	95%
Medical	3,595,120.00	-	3,595,120.00	2,705,648.67	75%
Administration Costs	15,900,240.00	-	15,900,240.00	14,181,218.10	89%
Activity	2,508,000.00	-	2,508,000.00	2,375,924.97	95%
Insurance	4,328,400.00	-	4,328,400.00	3,557,683.60	80%

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

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
Fee On Boarding Equipment and Stores	141,599,850.00	-	141,599,850.00	113,968,532.37	80%
5) Miscellaneous Income					
Loans / Borrowing					
Rent income	3,500,000.00	-	3,500,000.00	836,060.00	24%
Income From Farming Activities	1,798,731.00	-	1,798,731.00	1,485,426.00	83%
Insurance Compensation					82%
Income From Posho Mill					
Income From Bus Hire	150,000.00		150,000.00		
Fee For Hire of Ground and Equipment	14,150,000.00	-	14,150,000.00	13,510,619.05	95%
Nursery School	2,110,000.00	-	2,110,000.00	2,000,800.00	95%
Pocket money	100,000.00		100,000.00	22,600.00	23%
Caution money	1,153,000.00		1,153,000.00	577,000.00	50%
Savings	7,500,000.00		7,500,000.00	1,337,115.68	18%
Students Refunds				58,890.00	
Student Id card/cups/mugs	700,000.00		700,000.00	620,000.00	89%
Breakages and Losses				215,496.00	
Total Income	454,728,376.41	-	454,728,376.41	344,702,497.77	76%

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

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
(6) Expenditure For Tuition					
Textbooks	2,713,652.80	-	2,713,652.80	514,400.00	19%
Reference Materials	369,515.00	-	369,515.00	2,748,312.00	744%
Exercise Books	1,850,000.00	-	1,850,000.00	2,303,280.00	125%
Laboratory Equipment	1,664,335.00	-	1,664,335.00	1,392,247.00	84%
Internal Exams	1,750,000.00	-	1,750,000.00	479,998.00	27%
Teaching / Learning Materials	3,369,515.00	-	3,369,515.00	2,748,312.00	82%
Chalks	108,000.00	-	108,000.00	-	0%
Exams And Assessment	320,950.00	-	320,950.00	-	0%
Teachers Guides	-	-	-	-	
Administration Costs	-	-	-	-	
Bank Charges	5,200.00	-	-	1,362.00	26%
(7) Expenditure For Operations					
Personnel Emoluments	10,776,254.78	-	10,776,254.78	10,144,316.00	94%
Repairs, Maintenance & Improvements	12,088,000.00	-	12,088,000.00	415,555.00	3%
Local Transport / Travelling	2,622,402.24	-	2,622,402.24	578,929.00	22%

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

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
Electricity, Water and Conservancy	10,695,682.90	-	10,695,682.90	8,996,505.00	84%
Medical	4,417,600.00	-	4,417,600.00	834,187.00	19%
Administration Costs	2,319,682.69	-	2,319,682.69	1,096,045.00	47%
Activity Expenses	3,000,000.00	-	3,000,000.00	73,424.00	2%
Insurance				208,936.00	
Bank Charges				2,802.00	
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Repairs ,maintenance & improvements(Gok)	25,366,000.00		25,366,000.00	1,233,693.00	
Repairs ,maintenance & improvements	111,530,000.00		111,530,000.00	88,633,266.45	
Bank charges				2,304.00	
Purchase of machinery					

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
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	33,065,200.00	-	33,065,200.00	32,673,620.90	99%
Repairs, Maintenance and Improvements	18,910,269.00	-	18,910,269.00	7,727,319.00	41%
Local Transport / Travelling	7,051,928.00	-	7,051,928.00	3,769,960.71	53%
Electricity, Water and Conservancy	14,686,269.30	-	14,686,269.30	2,099,605.20	14%
Medical Expenses	715,000.00	-	715,000.00	619,315.00	87%
Administration Costs	19,946,200.00	-	19,946,200.00	19,190,346.58	96%
Activity	1,694,170.00	-	1,694,170.00	1,088,641.00	64%
Gratuity					
Lunch Programme					
Computer				71,520.00	
Boarding Equipment and Stores	106,547,055.40	-	106,547,055.40	105,586,611.80	99%
Expenditure For Income Generating Activity-farm	3,358,776.00	-	3,358,776.00	2,196,335.00	65%
Expenditure For Income Generating Activity-Nursery School	2,110,000.00		2,110,000.00	822,500.00	39%
Billboards- hire				6,989,350.00	
Fee On Boarding Equipment and Stores					

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

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
Caution money				263,500.00	
Development Fund/infrastructure	19,776,233.30		19,776,233.30	4,035,000.00	20%
Tuition Transfer Main				1,279,010.00	
KNEC Marking-main				389,400.00	
Billboards-Main				950,000.00	
Students refunds				84,860.00	
KNEC Marking-hire				2,524,103.00	
Insurance Costs	2,120,000.00		2,120,000.00	2,120.00	
Student ID /Cups/Mugs	750,000.00			500.00	
Bank Charges				19,167.63	
Totals	454,728,376.41	-	454,728,376.41	312,042,347.27	69%

- i. 76%
- ii. 69%

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 2022.

11. Notes To The Financial Statements**1 Government Grants for Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	6,492,863.40	2,798,241.25
Others (specify)*		112.00
Total	6,492,863.40	2,798,353.25

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	13,168,118.42	4,656,579.04
Repairs And Maintenance	4,194,154.10	462,700.00
Local Transport / Travelling	2,319,986.97	844,998.18
Electricity And Water	2,393,247.45	844,998.18
Medical	417,420.72	-
Administration Costs	2,488,750.50	1,090,894.49
Activity		-
Other Vote Heads (repairs & maintenance Gok)*	6,378,500.00	
Total	31,360,178.16	7,900,169.89

3 Government Grants for infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Maintenance & Improvement-GOK	88,913,164.00	7,089,009.60
Maintenance & Improvement-main		
Transition infrastructure grants		
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify) (NGCDF and County govt.	-	-
Total	88,913,164.00	7,089,009.60

4 School Fund Income - Parents Contribution/Fees

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	22,179,063.73	5,231,360.30
Repairs and maintenance	10,267,024.16	1,618,040.40
Local transport / travelling	7,235,483.28	1,145,756.79
Electricity and water	20,801,706.60	4,964,439.80
Medical	2,705,648.67	349,578.00
Administration costs	14,181,218.10	1,841,963.28
Activity	2,375,924.97	599,816.45
Fee on Boarding		
Equipment and stores	113,968,532.37	22,961,213.79
Insurance	3,557,683.60	769,773.00
PA Levies*		
Others (specify)		
Total	197,272,285.48	39,481,941.81

5 Miscellaneous Incomes

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent Income -Main	86,950.00	108,000.00
Rent Income-Hire of Facility	749,110.00	316,960.00
Income From Farming Activities	1,485,426.00	1,326,061.00
Nursery School	2,000,800.00	1,081,000.00
Nssf pta		6,400.00
Fees Arrears Nursery		5,000.00
Tender		-
Fees Prepayments Nursery		6,200.00
Income generating Knec	7,865,951.00	-
Mast	1,022,228.25	488,668.40
Billboard-Hire of facility	3,371,023.80	488,668.40
Billboard-Main	1,250,000.00	1,150,000.00
Bursary/Donations		24,200.00
PTA		93,000.00
Creditors-Tuition		-
Main-Operation		
Tuition/Main Transfer		772,990.00
Pocket Money	22,600.00	9,644.00
Caution Money	577,000.00	7,500.00
Other Incomes	1,416.00	
Hire/Main Transfer		430,444.00
Interest income		-
Students id card/cups/mugs	620,000.00	19,200.00
Fee For Hire of Ground and Equipment	58,890.00	-

NAIROBI SCHOOL

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Development fund		23,107.00
Breakages and losses	215,496.00	10,464.00
Savings	1,337,115.68	
Students Refunds	58,890.00	
Total	20,664,006.73	9,604,394.80

Notes to the Financial Statements (continued)

6 Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Exercise Books	2,303,280.00	264,890.00
Textbooks	514,400.00	-
Reference materials		-
Laboratory Equipment	1,392,247.00	1,128,777.00
Teaching / Learning Materials	2,748,312.00	928,350.00
Exams And Assessment	479,998.00	
Teachers Guides	1,362.00	
Bank Charges	1,392,247.00	1,488.00
Others		
Total	7,439,599.00	2,323,505.00

7 Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	10,144,316.00	5,043,230.30
Service Gratuity	-	-
Administration Cost	1,096,045.00	709,532.00
Repairs And Maintenance & Improvements	415,555.00	-
Local Transport / Travelling	578,929.00	108,696.00
Electricity And Water	8,996,505.00	3,339,886.00
Medical	834,187.00	202,603.00
Activity Expenses	73,424.00	62,400.00
Insurance Cost	208,936.00	-
Bank Charges	2,802.00	2,432.29
Others-Infrastructure		896,869.00
Total	22,350,699.00	10,365,648.59

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others-Operations Account		
Repairs, maintenance & improvements	1,233,693.00	
Repairs, maintenance & improvements-Gok	88,633,266.45	2,591,583.00
Bank Charges	2,304.00	2,092.00
Total	89,869,263.45	2,593,675.00

9 Boarding and School Fund

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	32,673,620.90	13,150,214.20
Repairs And Maintenance & Improvements	7,727,319.00	1,595,559.00
Local Transport / Travelling	3,769,960.71	1,588,872.98
Electricity And Water	2,099,605.20	1,253,705.00
Medical Expenses	619,315.00	153,588.00
Administration Costs	19,190,346.58	5,832,503.00
Activity	1,088,641.00	271,686.00
Computer	71,520.00	
Tender		157,739.00

NAIROBI SCHOOL

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Students Id/cups/mugs	500.00	-
Bank charges-Main Account	15,516.03	11,352.00
Bank charges-Hire of facility	2,751.60	180.00
Bank charges-Pta account	900.00	1,200.00
Nssf pta account		17,200.00
Hire main account		602,604.00
Tuition/Main account	1,279,010.00	1,162,040.00
Lunch Programme		
Expenses On Income Generating Activities**farm	2,196,335.00	855,986.00
Expenses On Income Generating Activities**nursery school	822,500.00	287,400.00
Mast		766,800.00
Billboards	6,989,350.00	1,158,381.00
Fee On Boarding Equipment and Stores	105,586,611.80	34,312,351.00
Caution money	263,500.00	1,500.00
Infrastructure	4,035,000.00	
Insurance	2,120.00	210,566.00
Knec marking-Main	389,400.00	2,085,105.00
Billboards-Main	950,000.00	
Students refunds	84,860.00	
KNEC Marking-hire	2,524,103.00	
Total	192,382,785.82	65,476,532.18

NAIROBI SCHOOL

Annual Report and Financial Statements for the Period ended 30th June 2022

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2022	2020-2021
	Active/Dormant		Kshs	Kshs
KCB - Tuition Account	Active	1107119510	366,657.90	1,313,393.50
KCB - Operations Account	Active	1107119642	2,350,611.26	2,214,832.10
KCB - School Fund Account/Boarding	Active	1106826567	7,536,117.46	(38,255.75)
KCB - Savings Account	Active	1108502369	1,364,578.56	27,462.88
KCB - Infrastructural Account	Active	1271989980	16,243,567.55	8,902,167.00
CO-OP Bank - School Fees Collection Account	Active	01129084055400	32,065,861.22	403,941.25
EQUITY-PTA Account	Active	0550298106892	2,272,464.75	1,234,743.75
ABSA- Hire of Facility	Active	2026474070	4,715,122.20	1,494,947.75
Total			66,914,980.90	15,553,232.48

11 Cash in Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Operation Account	75,068.00	148,868.00
School Fund Account/Boarding	1,914,400.20	(99,066.80)
PTA Account	-	197,432.00
Hire of Facility	45,362.00	120,310.00
Total	2,034,830.20	367,543.20

12 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	140,722,247.81	134,565,817.55
Other Non-Fees Receivables		-
Salary Advances (list/schedule attached)	293,064.00	171,064.00
Imprest (list/schedule attached)		
R/d cheques	18,500.00	18,500.00
Rent arrears (list/schedule attached)		-
Total	141,033,811.81	134,755,381.55

13 b Ageing Analysis of Accounts Receivable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	13,837,420.86	10%	4,294,607	3%
Between 1- 2 years	4,105,043.62	3%	5,398,545.26	4%
Between 2-3 years	5,398,545.26	4%	19,611,855.61	15%
Over 3 years	117,692,802.07	84%	105,450,373.06	78%
Total (should tie to note 13 a)	141,033,811.81	100 %	134,755,381.55	100 %

14 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	31,853,753.63	12,227,010.88
Prepaid Fees	43,829,725.00	36,809,152.57
Retention Monies	-	-
Caution money	-	-
Total	75,683,478.63	49,036,163.45

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	31,850,633.73	100%	12,223,890.98	100%
Between 1- 2 years			3,119.90	0%
Between 2-3 years	3,119.90	0%		0%
Over 3 years				0%
Total (should tie to note 14)	31,853,753.63	100%	12,227,010.88	100%

15 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	15,553,232.48	22,153,805.73
Cash Balances	367,543.20	64,729.20
Short Term Investments	-	-
Receivables	134,755,381.55	131,540,872.92
Payables	49,036,163.45	38,233,922.65
Total	101,639,993.78	115,525,485.20

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	2021-2022	2020-2021
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

17 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee Or Tea Plantation			
Pigs			
Poultry			
Others (specify)			
Total			

18 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	0	0
Balance at the end of the year	0	0

Other important disclosure notes

19 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

20 Progress On Follow Up of Auditor Recommendations

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

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

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. Alexa Stationers & Printers Ltd	1,559,330.00	20/06/2022	-	1,559,330.00	1,559,330.00	
5. Aster Health Ltd	102,109.00	27/06/2022	-	102,109.00	102,109.00	
6. Bakers Corner Co Ltd	2,877,924.00	30/06/2022	-	2,877,924.00	2,877,924.00	
7. Bocha Suppliers	596,810.00	30/06/2022	-	596,810.00	596,810.00	
8. Certain Two Services	1,040,019.48	05/05/2022	-	1,040,019.48	1,040,019.48	
9. Chemsols limited	195,500.00	28/03/2022	51,000.00	144,500.00	144,500.00	
10. Copierforce (K) Ltd	533,310.00	10/01/2022	-	533,310.00	533,310.00	

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
11. Crystal Glazing & Traders	1,280.00	09/05/2022	-	1,280.00	1,280.00	
12. Cyka Fresh Ltd	964,211.00	30/04/2022		964,211.00	964,211.00	
13. Deezall Infrasal Ltd	91,000.00	15/06/2022		91,000.00	91,000.00	
14. Divine Tech Business Solutions	349,700.00	25/06/2022		349,700.00	349,700.00	
15. Dollar Transporters	2,495,440.00	11/03/2022		2,495,440.00	2,495,440.00	
16. Dolphin Stationers Ltd	295,260.00	26/05/2022	-	295,260.00	295,260.00	
17. Don Rabina Trading	586,796.00	11/05/2022	-	586,796.00	586,796.00	
18. Elisa Tech Diagnostic	12,600.00	21/01/2022	-	12,600.00	12,600.00	
19. Fashtech Computers Ltd	34,220.00	23/05/2022		34,220.00	34,220.00	
20. Favre & Kuria Kenya limited	74,074.00	30/06/2022		74,074.00	74,074.00	
21. Fifth Ivory Enterprises	67,200.00	10/06/2022		67,200.00	67,200.00	
22. Gledix Ltd	15,000.00	08/03/2022		15,000.00	15,000.00	
23. Grasim Supplies	230,000.00	17/06/2022	-	230,000.00	230,000.00	
24. Industrywide Enterprises	1,648,000.00	28/04/2022		1,648,000.00	1,648,000.00	
25. Intermass Stationers & Printers Ltd	83,800.00	20/01/2022		83,800.00	83,800.00	
26. Jacob General Suppliers	174,500.00	02/06/2022		174,500.00	174,500.00	

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
27. Jomfan Enterprises	793,690.00	31/05/2022		793,690.00	793,690.00	
28. Kanfur Furnitures & Stationeries	195,000.00	06/06/2022		195,000.00	195,000.00	
29. Kusiwa Supplies	613,200.00	15/06/2022		613,200.00	613,200.00	
30. Legacy Lab Africa	28,982.00	09/02/2022		28,982.00	28,982.00	
31. Lidav Enterprises	6,120.00	31/05/2022		6,120.00	6,120.00	
32. Maconstra Enterprises	127,200.00	05/05/2022		127,200.00	127,200.00	
33. Masongaleni Agrovet	167,460.00	24/03/2022		167,460.00	167,460.00	
34. Meisertext Limited	224,325.00	05/05/2022		224,325.00	224,325.00	
35. Nairobi School Pta Account	3,311,718.00	05/05/2021	92,565.00	3,219,153.00	3,219,153.00	
36. Niiba Foods Limited	4,554,000.00	06/05/2021		4,554,000.00	4,554,000.00	
37. Pacific Stationers (K) Ltd	72,960.00	17/05/2022		72,960.00	72,960.00	
38. Palamacare Ltd	4,200.00	13/06/2022		4,200.00	4,200.00	
39. Petro Oil Kenya Ltd	361,313.00	28/04/2022		361,313.00	361,313.00	
40. Pintext Limited	158,240.00	09/10/2020	18,600.00	139,640.00	139,640.00	
41. Precise Lab Africa Limited	217,700.00	04/02/2022		217,700.00	217,700.00	
42. Promise Traders Limited	452,748.00	07/03/2022		452,748.00	452,748.00	

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
43. Quality Meat Packers Ltd	26,418.00	16/02/2022		26,418.00	26,418.00	
44. Rangechem Phamaceuticals Ltd	195,021.00	12/01/2022		195,021.00	195,021.00	
45. Rensha Enterprises Ltd	37,080.00	27/04/2022		37,080.00	37,080.00	
46. Rostepho Green Groceries Ltd	931,790.00	30/06/2022		931,790.00	931,790.00	
47. School Equipment Production Unit	74,850.00	21/02/2022		74,850.00	74,850.00	
48. School outfitters	252,900.00	15/06/2022		252,900.00	252,900.00	
49. Six Speed Limited	18,000.00	26/04/2022		18,000.00	18,000.00	
50. Skylar Electricals & Hardware (K) Ltd	492,098.25	06/07/2021	16,500.00	475,598.25	475,598.25	
51. Skytech Africa Supplies Ltd	217,090.00	11/03/2022		217,090.00	217,090.00	
52. Sypsan Enterprises	45,000.00	07/06/2022		45,000.00	45,000.00	
53. Talent Meat Solutions Ltd	2,174,260.00	31/03/2022	341,100.00	1,833,160.00	1,833,160.00	
54. Textbook Centre Ltd	36,969.00	09/03/2022		36,969.00	36,969.00	
55. The Copycat Ltd	360,842.00	02/02/2022		360,842.00	360,842.00	
56. Town Rucs	189,000.00	15/06/2022		189,000.00	189,000.00	
57. Uganda Electricals (K) Ltd	4,868.00	10/11/2020	6,096.00	10,206.00	10,206.00	
58. Uniform Distributors Ltd	102,355.00	13/06/2022		102,355.00	102,355.00	

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
59. Wadhuku Suppliers	819,250.00	02/12/2021		819,250.00	819,250.00	
60. Whitex General Supplies	129,980.00	24/03/2006	38,800.00	91,180.00	91,180.00	
61. Zeny Blue Supplies	493,650.00	30/06/2022		493,650.00	493,650.00	
62. Sub- Total	<u>31,929,794.73</u>		<u>564,661.00</u>	<u>31,365,133.73</u>	<u>31,365,133.73</u>	
63. Supply of Services			-	-	-	
64. Best Merge Computers	<u>485,500.00</u>		<u>=====</u>	<u>485,500.00</u>	<u>485,500.00</u>	
65.						
66. Grand Total	<u>32,415,294.73</u>		<u>564,661.00</u>	<u>31,850,633.73</u>	<u>31,850,633.73</u>	

Annex 2 – Summary of Fixed Assets Register

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