

REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 13 JUN 2026

DAY.

Tuesday

TABLED
BY:

Hon. Naomi Klagor, CBS, MP

(Deputy Majority Party Whip)

OF
WORK-AT
THE-TABLE:

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PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**NGATATAEK MIXED BOARDING
SECONDARY SCHOOL**

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

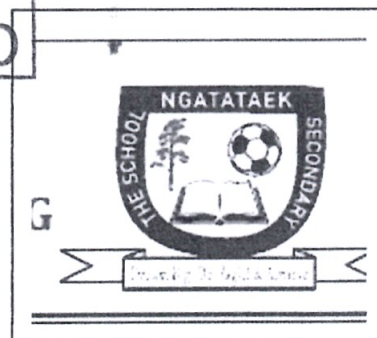
KAJIADO COUNTY

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

Revised 30th June 2021.

23 APR 2026

RECEIVED



Ngatataek Mixed Secondary School

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR SIX MONTH ENDED
30th June 2021**

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

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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 kajiado County, kajiado central Sub-County.

The school was registered in September 2016 under registration number 34S3000033 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a day/boarding school and had 192 number of students as at 30th June 2021. It has 2 streams and 14 teachers of which 2 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Dr. Kispan Mosiany	Chairman	24th Aug 2019
2	Mr. Peter Gathaga	Secretary - Principal	24th aug 2019
3	Md. Virginia sabaya	Member	24th aug 2019
4	Pst. William siparo	Member	24th aug 2019
5	Mr. Peter ntasikoi	Member	24th aug 2019
6	Mr. Titus mulata	Member	24th aug 2019
7	Dr. Judy kimaru	Member	24th aug 2019
8	Mr. Moses minchil	Member – Rep CEB	24th aug 2019
9	Mrs. everlyn kendi	Member Rep Teachers	24th aug 2019
10	Rev. sankale tarankei	3 Members - Sponsor	24th aug 2019
	Md. Mercy rikinoi		
	Mr. Humphrey kateri		
11	Mrs. Ann tobiko	Member - Community	24th aug 2019
12	Mr. Joel lemama	Member Special Needs	24th aug 2019
13	Mr. Senteu somoire	Rep Students	24th 2020
14	Mr. David take	Member special needs	24th aug 2019
15	Mr jackson koinary	Member	24 aug 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Kisan mosiany Mr. Peter gathaga md. viginia sabaya Mr. David mutunkei Md. Mercy rikinoi	Chairman Secretary Member Member Member	3 out of 3
2	Finance, procurement, audit and general purposes Committee	Rev sankale Md ann sadira Mjr. Rtd motonya Md. Everlyn kendi	Chairman Secretary Member Member	3 out of 3 For all
3	Academic Committee	Mr. Kisan Md monica murage Mr. Humprey kateri Md. Mercy rikinoi Mr. David tuke	Chairman Secretary Member Member Member	1 out of 1 For all
4	School infrastructure Committee	Mr. Peter ntasikoi Md. Monica murage Mr. Humprey kateri Mr. Peter gathaga Mr. Kisan mosiany Mr. David tuke Mr. Selesio malinge	chairman secretary principal member member member SCDE	2 out 2
6	Discipline and welfare Committee	Mr. Jackson nakuyo Mr. William siparo Mr. Peter ntasikoi Md. Monica murage	chairman member member secretary	1 out of 1

Ngatataek Mixed Secondary School
Annual Report and Financial Statements
For the six month ended 30th June 2021

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Mr. Peter gathaga	305257
2	Deputy Principal	Md. Monica murage	335142
3	School Bursar	Mr. Benard M. kakeempe	23239039

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 368-00207 Namanga, kenya
Telephone: 0722628161
E-mail: ngatataeksecondary368@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks:

1. Name of Bank: Equity
Branch: Namanga
Account Number: 0850270385666-fund
2. Name of Bank: K.C.B
Branch: Namanga
Account Number: 11356974334- fund
3. MPESA Pay Bill No. 385666 attached to Equity bank account

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

4. Name of Bank: K.C.B
Branch: Namanga
Account Number: 1132796121 -tuition
5. Name of Bank: Equity
Branch: Namanga
Account Number: 0850298902813- operation
6. Name of bank: Equity
Branch: Namanga
Account number: 0850279064019- infrastructure

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

a) Financial performance:

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

YEAR	2018-2019	2019-2020	2020-2021
SURPLUS/DEFICIT		(1,577,134)	(4,038,254)

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

YEAR	2018-2019	2019-2020	2020-2021
FSE-TUITION		392,200	226,701
FSE-OPERATION		2,245,500	1,416,806

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

YEAR	2018-2019	2019-2020	2020-2021
OTHER INCOME EARNED	0	0	0

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

YEAR	2018-2019	2019-2020	2020-2021
EXPENDITURE GROWTH		10,568,896	9,322,329

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

YEAR	2018-2019	2019-2020	2020-2021
DEBTORS		3,242,200	2,427,497
CREDITORS		8,048,800	9,814,859

Movement of cash and bank balances over the last three years

YEAR	2018-2019	2019-2020	2020-2021
CASH		348	231,098
BANK		4,587,428	448,392

Ngatataek Mixed Secondary School
Annual Report and Financial Statements
For the six month ended 30th June 2021

b) Teacher Student ratio:

YEAR	2018-2019	2019-2020	2020-2021
<i>Teacher/student ratio</i>	<i>1:19</i>	<i>1:17</i>	<i>1:15</i>
<i>teachers recruited</i>	<i>0</i>	<i>3</i>	<i>1-Bom</i>
<i>teachers posted</i>	<i>0</i>	<i>2</i>	<i>0</i>
<i>teachers transferred</i>	<i>2</i>	<i>2</i>	<i>1</i>

c) Mean score in the 2021 KCSE:

YEAR	TARGET	MEAN SCORE	DEVIATION	NO. TRANSITION
<i>2021</i>	<i>3</i>	<i>2.61</i>	<i>-0.39</i>	<i>14</i>
<i>2020</i>	<i>3</i>	<i>2.62</i>	<i>-0.87</i>	<i>11</i>
<i>2019</i>	<i>3.2</i>	<i>2.01</i>	<i>-0.64</i>	<i>12</i>

d) Number of Candidates in the 2021 KCSE:

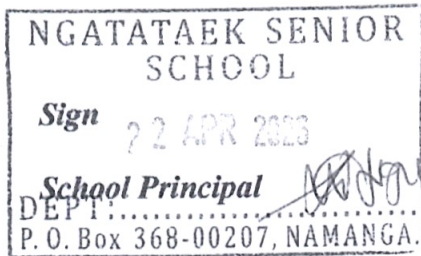
YEAR	NO. OF CANDIDATES
<i>2021</i>	<i>45</i>
<i>2020</i>	<i>37</i>
<i>2019</i>	<i>77</i>

e) Capacity of the school:

Structures	capacity	Enrolment		
<i>classes (6)</i>	<i>360</i>	<i>178</i>		
<i>dormitories (3)</i>	<i>240</i>	<i>150</i>		
<i>laboratories (1)</i>	<i>45</i>	<i>178</i>		
<i>toilets (10)</i>	<i>340</i>	<i>178</i>		

f) Development projects carried out by the school:

NONE



III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

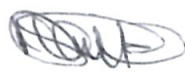
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

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

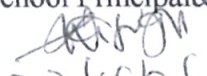
The Board of Management of *Ngatataek Mixed Secondary School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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, 2021, and of the school's financial position as at that date.

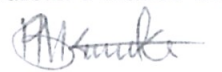
Name: Mr. Kispan Mosiany
Designation: Chairman, School Board of Management
Sign:
Date:

 22/4/26

Name: Mr. Peter Gathaga
Designation: School Principal & Secretary to Board of Management
Sign:
Date:


22/4/26

Name: Mr. Benard M. Kakeempe
Designation: Bursar/ Finance Officer
Sign:
Date:


22/4/2022

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 NGATATAEK MIXED BOARDING SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 - KAJIADO COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Ngatataek Mixed Boarding Secondary School set out on pages 12 to 26, which comprise of the statement of financial

Report of the Auditor-General on Ngatataek Mixed Boarding Secondary School for the Six (6) months period ended 30 June, 2021 - Kajiado County

assets and financial liabilities as at 30 June, 2021, 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 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 Ngatataek Mixed Boarding Secondary School at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Personnel Emoluments

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects a balance of Kshs.3,210,833 in respect boarding and school fund expenditure. Included in the amount is personnel emolument amount of Kshs.397,900. However, the supporting scheme of service for non-teaching staff and BOM teachers and staff establishment were not provided for audit review. Further, staff appointments were not supported by Board of Management approval minutes.

In the circumstances, the accuracy and completeness of personnel emolument balance of Kshs.397,900 could not be confirmed.

2. Unsupported Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 11 to the financial statements reflects accounts receivables balance of Kshs.2,427,492 in respect of fees arrears. The balance includes an amount of Kshs.1,898,437 that has been outstanding for more than one (1) year. However, supporting schedules for the long outstanding receivables was not provided for audit review. Further, no policy on the impairment of long outstanding fees arrears was provided casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.2,427,492 could not be confirmed.

3. Unsupported Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 12 to the financial statements reflects accounts payables balance of Kshs.9,848,521. However, included in

the balance are trade payables amounting Kshs.9,395,953 which has been outstanding for more than two (2) years which were not supported by invoices, local purchase orders and contracts.

In the circumstances, the accuracy and completeness of the account payables balance of Kshs.9,848,521 could not be confirmed.

4. Material Uncertainty Related to Going Concern

The statement of receipts and payments reflects a deficit of Kshs.4,038,254. Further, the statement of assets and liabilities reflects current assets and current liabilities balances of Kshs.3,106,982 and Kshs.9,814,859 respectively, resulting to a negative working capital of Kshs.6,707,877. However, this material uncertainty relating to the going concern was not disclosed in form of a note in the financial statements. The school's ability to continue as a going concern and the ability to settle debts is dependent on Government capitation and its creditors.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects budgeted and actual receipt amounts on comparable basis of Kshs.17,134,244 and Kshs.5,284,075 resulting to an under-funding of Kshs.11,850,169 or 69% of the budget. Similarly, the School spent an amount of Kshs.9,322,329 against actual receipts amounting to Kshs.5,284,075 resulting in an over-utilization of Kshs.4,038,254 or 76% of actual receipts. The under-funding and over-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unaudited Opening Balances

I draw your attention to the fact that prior to the 2020/2021 financial year Public Secondary Schools in Kenya did not prepare financial statements for audit. Consequently, the Public Sector Accounting Standards Board prescribed 30 June, 2021 as the time adoption of the International Public Sector Accounting Standard (IPSAS) Cash Basis of Accounting by the Public Secondary School. The financial statements for the six (6) months ended 30 June, 2021 include comparative information. However, the comparative figure were based on unaudited figures. My audit procedures, were therefore, limited to the extent that comparative information does not contain misstatements that materially affect the current periods financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information. My audit opinion on the current period financial statements is not modified in the report of this matter.

Other Information

The Management is responsible for the other information set out on page 2 to 10 which comprises of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the year ended 30 June, 2021 was received on 02 March, 2026, four (4) years and five (5) months after the statutory date of 30

September, 2021. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate and Ministry of Education Circular Ref. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the school's financial statements should be ready by 30 September, in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements. Late submission of financial report adversely affects the Office of the Auditor-General in meeting the statutory timelines.

In the circumstances, Management was in breach of the law

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

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects operations capitation grants of Kshs.1,416,806 for year under review. Included in the amount is Kshs.58,500 in respect to infrastructure grants. However, only an amount of Kshs.340,000 was transferred to infrastructure account from operations account resulting to an unexplained variance of KShs.208,500. Further, an amount of Kshs.340,000 was transferred on 26 March, 2021 or one hundred and thirty-nine (139) days after receipt. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3-2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt in the operations account. Failure to transfer funds to the school infrastructure account from operation account denies the school money for infrastructure improvement.

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

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

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects boarding and school fund expenditure amount of Kshs.3,210,833. Included in the expenditure is an amount of Kshs.58,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from school principals, only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools as provided in Regulation 23(2)(c) of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

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

4. Failure to Prepare School Improvement Plan

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

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

5. Non-Compliance with Law on Affirmative Action

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

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

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Weaknesses in Management of Assets

The statement assets and liabilities and disclosed in Annex 2 to the financial statement reflects summary of fixed assets register which has not been posted with historical costs,

additions during the year and disposal during the year. Further, Management did not prepare an updated fixed assets register while several assets at the school were not tagged.

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

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

Responsibilities of the Management and the Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

4 May, 2026

Ngatataek Mixed Secondary School
Annual Report and Financial Statements
For the six month ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	226, 701	392,200
Capitation grants for operations	2	1,416,806	6,245,500
School Fund Income- Parents' Contributions	3	1,100,727	1,091,538
School Fund Income- Other receipts	4	2,539,841	1,262,524
Proceeds from borrowings		0	0
TOTAL RECEIPTS		5,284,075	8,991,762
PAYMENTS			
Payments for Tuition	5	124,690	470,791
Payments for operations	6	5,986,806	6,561,441
Boarding and school fund payments	7	3,210,833	3,536,664
TOTAL PAYMENTS		9,322,329	10,568,896
SURPLUS/DEFICIT		(4,038,254)	(1,577,134)

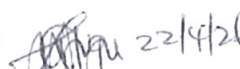
The school financial statements were approved on 25th AUG 2021 and signed by:

Sign:  22/4/26

Mr. Kisan Mosiany

Chair BOM

Date 25TH AUG 2021

Sign:  22/4/26

Mr. Peter Gathaga

School Principal/

Secretary to BOM

Date 25TH AUG 2021

Sign:  22/4/26

Mr. Benard kakeempe

Bursar/

Finance Officer

Date 25TH AUG 2021

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

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	448,392	4,587,427
Cash Balances	9	231,098	348
Short term Investment	10	0	0
Total Cash and cash equivalent		679,490	4,587,775
Account's receivables	11	2,427,492	3,246,200
TOTAL FINANCIAL ASSETS		3,106,982	7,833,975
FINANCIAL LIABILITIES			
Accounts Payables	12	(9,814,859)	(8,048,800)
NET FINANCIAL ASSETS		(6,707,877)	(214,825)
REPRESENTED BY			
Accumulated Fund b/fwd	13	(214,824)	(214,824)
Surplus/Deficit for the year		(4,038,254)	(1,577,134)
NET FINANCIAL POSSITION		(4,253,078)	(1,791,958)

The School's financial statements were approved on 25TH AUG 2021 and signed by:

Name: Mr. kispian mosiany
Chairman, BoM

Sign: 
 22/4/26
Date: 25th aug 2021

Name: Mr. Peter gathaga
School Principal/Secretary to BoM

Sign: 
 22/4/26
Date: 25th aug 2021

Name: Mr kakeempe
Bursar/Finance

Sign: 
 22/4/26
Date: 25th aug 2021

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

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	226,701	392,200
Capitation grants for operations	2	1,416,806	6,245,500
School fund income- Parents contributions/ fees	3	1,100,727	905,416
School fund income- other receipts	4	2,539,841	2,368,604
Total receipts		5,284,075	9,911,720
Payments			
Payments for Tuition	5	124,690	470,791
Payments for operations	6	5,986,806	6,561,441
Boarding and school fund payments	7	3,210,833	3,536,664
Total payments		(9,322,329)	(10,568,896)
Net cash flow from operating activities		(4,038,254)	(1,577,134)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0	0
Acquisition of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash flows from Investing Activities		0	0
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		(709,791)	(1,140,741)
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		(4,748,045)	(2,717,875)
Cash and cash equivalent at BEGINNING of the year		4,587,776	2,434,579
Cash and cash equivalent at END of the year		679,490	4,587,776

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Teaching / learning materials	928,256	0	928,256	226,701	701,554	24%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	2,623,358	0	2,623,358	423,307	2,200,050	16%
Repairs and maintenance	426,400	0	426,400	647,500	-221,100	152%
Local transport / travelling	953,934	0	953,934	158,209	795,724	17%
Electricity and water	616,972	0	616,972	101,174	515,797	16%
Medical						
Administration costs	501,662	0	501,662	86,615	415,046	17%
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	2,623,358	0	2,623,358	384,052	2,229,306	15%
Repairs and maintenance	426,400	0	426,400	129,859	296,541	30%
Local transport / travelling	953,934	0	953,934	191,102	762,832	20%
Electricity and water	616,972	0	616,972	134,853	482,119	22%
Arrears recovery				715,427		
Administration costs	501,662	0	501,662	227,935	273,727	45%
Activity	549,200	0	549,200	32,926	516,274	6%
SMASSE						
Fee on Boarding Equipment and Stores	5,412,136	0	5,412,136	1,824,414	3,587,722	66%

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
OTHER INCOME						
TOTAL INCOME	17,134,244		17,134,244	5,284,075	12,555,592	43%
(1) EXPENDITURE FOR TUITION						
Teaching / learning materials	928,256	0	928,256	124,690	803,566	13%
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	2,623,358	0	2,623,358	589,896	2,033,462	22%
Repairs, maintenance & improvements	426,400	0	426,400	40,606	4,628,260	1%
Administration cost	501,662	0	501,662	37,480	464,182	7%
Local transport / travelling	953,934	0	953,934	191,512	762,422	20%
Infrastructure	1,200,000	0	1,200,000	5,054,660	45,340	99%
Electricity & water	616,972	0	616,972	30,166	586,806	5%
Activity expenses	549,200	0	549,200	29,400	519,800	5%
medical				13,086		
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	2,623,358	0	2,623,358	397,900	2,225,458	15%
Repairs, maintenance and improvements	426,400	0	426,400	163,130	263,270	38%
Local transport / travelling	953,934	0	953,934	175,400	778,534	18%
Electricity, water and conservancy	616,972	0	616,972	29,100		5%
Administration costs	501,662	0	501,662	217,341		43%
Creditors paid	0	0		74,500	0	0
Activity	549,200	0	549,200	0	549,200	
Infrastructure account				220,000		

For the six month ended 30th June 2021

Receipt/expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	K shs	K shs			K shs	K shs
Boarding Equipment and Stores	5,412,136	0	5,412,136	1,084,877	4,327,259	20%
Loan Principal Repayment				848,585		
TOTALS	13,828,890	0	13,828,890	9,322,329	8,947,287	69%

- i. Some of the vote heads expenditures were over-estimated, thus the higher the percentage. ie Overutilization
- ii. Some of the vote heads revenue were below the expectation thus the lower the percentage. Ie underutilization

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 2021.

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	226,701	392,200
Chalks		
Exams and assessment		
Teachers guides		
Total	226,701	392,200

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Other vote heads	423,307	1,135,950
Repairs and maintenance-infrastructure	647,500	934,000
Local transport / travelling	158,209	8,100
Electricity and water	101,174	
Transfers		30,000
Administration costs	86,615	
medical		42,000
NSSF		4,800
NHIF		5,850
infrastructure		4,000,000
Activity		84,800
Total	1,416,806	6,245,500

3 PARENTS CONTRIBUTION/FEEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	384,052	612,101
Repairs and maintenance	129,859	94,584
Local transport / travelling	191,102	97,543
Electricity and water	134,853	64,895
Medical	0	
Administration costs	227,935	31,813
Activity	32,926	4,480
Total	1,100,727	905,416

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	1,824,414	2,163,376
Arrears recovery	715,427	205,228
Dividends income		
Total	2,539,841	2,368,604

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Teaching / learning materials	124,450	470,791
Administration Costs	240	
Bank Charges		
Total	124,690	470,791

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	589,896	924,052
infrastructure	5,054,660	4,700,000
Administration Cost	37,480	316,598
Repairs and maintenance & improvements	40,606	32,050
Local transport / travelling	191,512	234,170
Electricity and water	30,166	64,411
Medical	13,086	2,060
Activity Expenses	29,400	93,950
NHIF		44,950
NSSF		23,200
Bank Charges		
Transfers		80,000
TOTAL	5,986,806	6,435,441

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	397,900	627,964
Repairs and maintenance & Improvements	163,130	122,417
Local transport / travelling	175,400	156,355
Electricity and water	29,100	65,177
Administration costs	217,341	51,411
infrastructure account	220,000	
Fee on Boarding Equipment and Stores	1,084,877	809,923
Creditor	74,500	
Loan Principal repayment	848,585	1,455,992
Loan Interest repayment	0	0
TOTAL	3,210,833	2,661,275

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1132796121	104,505	2,613
Operations Account	0850298902813	29,127	8,498
School Fund Account/Boarding	0850270385666/11356974334	313,059	79,955
Infrastructural Account	0850279064019	1,701	4,496,361
Total		448,392	4,587,427

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0	0
Operation Account	40,273	47
School Fund account	190,825	301
Total	231,098	348

10 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	0	0
Treasury Bills	0	0
Fixed deposit	0	0
Equity stock	0	0
Other investments	0	0
Total	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	2,427,497	3,246,200
Other non-fees receivables		
Salary advances		
Imprest		
Total	2,427,497	3,246,200

[Include an ageing of the fees / non fees arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	529,060	538,188
Fees arrears for the previous year	1,429,200	1,664,150
Fees arrears for prior periods (over two years)	469,237	1,043,862
Total	2,427,497	3,246,200

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	9,848,521	8,048,800
Prepaid fees	33,662	
Retention monies		
Total	9,814,859	8,048,800

[Include an ageing of the creditor's arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	452,568	7,353,073
Trade creditors for the previous year	653,177	416,715
Trade creditors for prior periods (over two years)	8,742,776	
Total	9,848,521	8,048,800

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	4,587,428	4,587,428
Cash balances	348	348
Short Term Investments	0	0
Receivables	3,246,200	3,246,200
Payables	(8,048,800)	(8,048,800)
Total	(214,824)	(214,824)

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.

14 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	0	709,791.45
Total	0	709,791.45

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Trees		410	302
Total		410	302

16 Borrowings

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		
Repayments of during the year	(709,791)	(1,140,741)
Balance at end of the year	(709,791)	(1,140,741)

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	0	
Stock/ inventory purchased during the year	350,000	420,000
Stock/ inventory issued during the year		
Balance at end of the year	350,000	420,000

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2020	Comments
	a	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. Current year creditors	452,568	June 2020	0	452,568	0	
5. Creditors for the previous year	653,177	June 2020	0	653,177	653,177	
6. Pending suppliers from 2015-2019(grant total)	8,742,776	June 2020	0	8,742,776	7,395,623	
Sub-Total	9,848,521				8,048,800	
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total	9,848,521			9,848,521	8,048,800	

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	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 2020
Land 1(22 ha)	2012	500m from Ngatataek centre		N/a	N/a	
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total						

NB/ THE ASSETS HAVE NEVER BEEN VALUED AT ANY TIME IN ANY FINANCIAL YEAR.