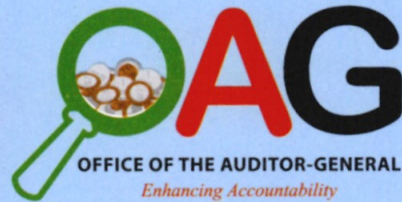


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 13 JUN 2026

DAY.

Tuesday.

TABLED
BY:

Hon. Naomi Ialago, CBS, MP

OF

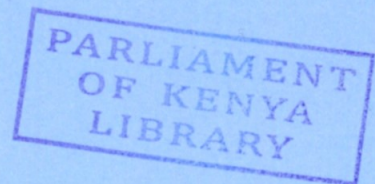
CLERK-AT
THE-TABLE:

(Deputy Majority Party Whip)

Female

THE AUDITOR-GENERAL

ON



NGATATAEK MIXED BOARDING
SECONDARY SCHOOL

FOR THE YEAR
ENDED 30 JUNE, 2025

KAJIADO COUNTY



NGATATAEK MIXED SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025**

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management

(a) Background information

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

The school was registered in 09/2016 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 and boarding school and had 216 number of students as at 30th June 2024. It has 2 streams and 11 teachers under TSC and 3 employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	MR.Mosiany Kispan	Chairman	24th/08/2023
2	MR. Peter Gathaga	Secretary - Principal	24th/08/2023
3	Mrs. Virginia Sabaya	Member	24th/08/2023
4	Pst. William Siparo	Member	24th/08/2023
5	Mr. Peter Ntasikoi	Member	24th/08/2023
6	Mr. Humphrey Kateri	Member	24th/08/2023
7	Dr. Judy Kimaru	Member	24th/08/2023
8	Mr. Moses Minchil	Member – Rep CEB	24th/08/2023
9	Mrs. Ezekiel Sintimo	Member - Teachers'REP.	24th/08/2023
10	Mr. Sankale Tarakei	3 Members - Sponsor	24th/08/2023
11	Mrs. Ann Tobiko	Member - Community	24th/08/2023
12	Mr. Joel Lemama	Member – Rep. Special Needs	24th/08/2023
13	Mr. David Mooke	Member -	24th/08/2023
14	Master Julius Kubaai	Students' Rep.	24th/08/2023

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 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	1.Mr. Kispan 2.Mr. Gathaga 3. Md Tobiko 4.Md. Sabaya 5.Md. Gladys	Chairperson Secretary Member Member Member	3 out of 3
2	Audit Committee	1. Md. Tobiko Ann 2. Mr. Gathaga 3. Md. Sabaya 4. Md. Gladys 5. Md. Kiria 6. Mr. Lemama	Chairperson Secretary Member Member Member Member	3 out of 3 " 0 " " "
3	Finance, procurement and general purposes Committee	1. Md. Tobiko 2. Mr. Gathaga 3. Md. Sabaya 4. Md. Gladys 5. Md. Kiria	Chairperson Secretary Member Member Member	3 out of 3 " 0 " "

		6. Mr. Humphrey	Member	”
4	Academic Committee	1. Mr. Ntasikoi	Chairperson	2 out of 2
		2. Md. Sophia	Secretary	”
		3. Dr. Kimaru	Member	”
		4. Mr. Mooke	Member	”
		5. Mr. Tuke	Member	”
		6. Mr. Siparo	Member	”
5	Development Committee	1. Rev. Sankale	Chairperson	2 out of 2
		2. Md. Sophia	Secretary	”
		3. Mr. Gichuki	Member	”
		4. Mr. Kateri	Member	”
		5. Mr. Kispan	Member	”
		6. Mr. Humphrey	Member	”
		Md. Gladys		”
6	Discipline and welfare Committee	1. Mr. Ntasikoi	Chairperson	2 out of 2
		2. Md. Sophia	Secretary	”
		3. Mr. Mooke	Member	”
		4. Mr. Tukei	Member	”
		5. Mr. Siparo	Member	”
		Mr. Lemama	Member	”
				”
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June, 2025 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mr. Peter Gathaga	TSC No. 305257
2	Deputy Principal	Md. Sophia Wanjugu	TSC No.356315
3	School Bursar	Mr. Benard M. kakeempe	ID NO. 23239039
4	Director of studies	Mr.Moses Maina	TSC. No. 602949

(e) Schools contacts

Post Office Box: 368-0207 Namanga, Kenya
 Telephone: 0722628161/0722812367
 E-mail: ngatataeksecondary368@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: Equity
 Branch: Namanga
 Account number: 0850270385666
2. Mpesa paybill No. 247247 attached to equity bank account
3. Name of Bank: K.C.B
 Branch : Namanga
 Acc Number: 1135697434
4. Name of bank : Equity
 Branch : Namanga
 Acc Nunber ; 0850298902813
5. Name of bank : Equity
 Branch : Namanga
 Acc Number: 0850279064019
6. Name of Bank : K.C.B
 Branch : Namanga
 Acc Number: 1132796121

(g) Independent Auditors

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

3. Summary Report of Performance of The School

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

a) Financial performance:

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

<i>Year</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>Surplus/deficit</i>	<i>(2,058,490)</i>	<i>1,187,679</i>	<i>(1,093,519)</i>

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

<i>YEAR</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>FDSE- TUITION</i>	<i>534,495</i>	<i>503,427</i>	<i>460,257</i>
<i>-OPERATION</i>	<i>1,592,681</i>	<i>2,082,229</i>	<i>1,947,877</i>

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

<i>Year</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>Other Income</i>	<i>139,739</i>	<i>92,375</i>	<i>75,472</i>

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

<i>Year</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>EXPENDITURE</i>	<i>12,404,689</i>	<i>9,399,997</i>	<i>10,305,396</i>

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

<i>Year</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>DEBTORS</i>	<i>2,685,502</i>	<i>3,246,200</i>	<i>2,427,497</i>
<i>CREDITORS</i>	<i>10,650,163</i>	<i>7,769,788</i>	<i>7,606,357</i>

b) Teacher Student ratio:

<i>Year</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>Teacher/student ratio</i>	<i>1:17</i>	<i>1:15</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/ Retired</i>	<i>0</i>	<i>2</i>	<i>1</i>
<i>B.O.M Teachers</i>	<i>3</i>	<i>3</i>	<i>3</i>

c) The mean score in the 2025 KCSE:

<i>Year</i>	<i>2022-2023</i>	<i>2023-2024</i>	<i>2024-2025</i>
<i>Mean Score</i>	<i>2.17</i>	<i>2.63</i>	<i>2.42</i>
<i>Number of Candidates</i>	<i>41</i>	<i>49</i>	<i>49</i>
<i>Transitioned</i>	<i>12</i>	<i>20</i>	<i>0</i>

d) Number of Candidates in the 20025 KCSE:

NB/ refer to table C above.

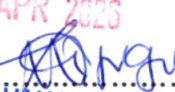
e) The capacity of the school:

<i>Structure</i>	<i>Dormitories</i>	<i>Dining Hall</i>	<i>laboratories</i>	<i>Classes</i>	<i>Library</i>	<i>Toilets</i>
<i>Students no. 216</i>	<i>2 of capacity @ 80</i>	<i>0</i>	<i>1</i>	<i>10</i>	<i>0</i>	<i>10</i>
	<i>1 capacity 120</i>					

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
NONE	N/A	N/A	0	0	N/A

NB/: There was no any project done by the school during the financial year

NGATATAEK SENIOR
SCHOOL
22 APR 2026
DEPT: 
P.O. Box 368-00207, NAMANGA
School Principal

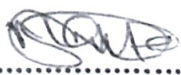
4. Statement of School Management Responsibility

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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2025, and of the school's financial position as at that date.

 22/4/2026

Name: MR. Mosiany KISPAN

Designation: Chairman, School Board of Management

Date: 16TH AUG 2025

 22/4/2026

Name: MR. PETER GATHAGA

Designation: School Principal & Secretary to Board of Management

Date: 16TH AUG 2025

 22/4/2026

Name: MR. BENARD M. KAKEEMPE

Designation: Bursar/ Finance Officer

Date: 16TH AUG 2025

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NGATATAEK MIXED BOARDING SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 - 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 transitional IPSAS financial statements of Ngatataek Mixed Boarding Secondary School set out on pages 1 to 17, which comprise of the statement of assets and liabilities as at 30 June, 2025, and the statement of statement of financial performance, statement of cash flows and statement of budgeted versus actual

Report of the Auditor-General on Ngatataek Mixed Boarding Secondary School for the year ended 30 June, 2025 - Kajiado County

amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Ngatataek Mixed Boarding Secondary School at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis including the transitional provisions permitted under IPSAS 33 and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025

Basis for Qualified Opinion

1. Unsupported Personnel Emoluments

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflect amount of Kshs.7,760,140 in respect of boarding school fund expenditure, which includes personnel emolument amount of Kshs.1,268,285. However, the scheme of service for non-teaching staff and BOM teachers and a staff establishment were not provided for audit review. Further, Board of Management minutes to confirm approval of appointment of the staff was not provided for audit verification.

In the circumstances, the accuracy and completeness of personnel emolument balance of Kshs.7,760,140 could not be confirmed.

2. Unsupported Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.2,427,497 in respect of fees arrears. Included in the balance is accounts receivables balance of Kshs.597,192 being receivables that has been outstanding for more than one (1) years. 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 receivables balance of Kshs.2,427,497 could not be confirmed.

3. Unsupported Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.7,606,357 which has been outstanding for more than three (3) years and was not supported by adequate records such as invoices, local purchase orders and contracts.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.7,606,357 could not be confirmed.

4. Material Uncertainty Related to Going Concern

The Statement of Receipts and Payments reflects a deficit of Kshs.1,093,519. Further, the Statement of Assets and Liabilities reflects current assets and current liabilities balances of Kshs.3,004,875 and Kshs.7,606,357 respectively, resulting to a negative working capital of Kshs.7,606,357. However, this material uncertainty relating to the going concern was not disclosed in form of a note in the financial statements.

In the circumstances, the school's ability to continue as a going concern and the ability to pay 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 final receipts budget and actual on a comparable basis of Kshs.13,689,984 and Kshs.9,211,877 respectively, resulting in an under-funding of Kshs.4,478,107 or 33% of the budget. However, the School spent an amount of Kshs.10,305,396 against actual receipts amount of Kshs.9,211,877 resulting in an over-utilization of Kshs.1,093,519 or 12% 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 Matter

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

Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the financial year 2024/2025 reporting template issued by the Public Sector Accounting Standards Board (PSASB). As

communicated by PSASB on 25 February, 2026, the template was designed to facilitate a phased transition to accrual-based IPSAS for public secondary schools and, therefore, does not include certain statements and disclosures required under the full IPSAS transition. These omissions include the Opening Statement of Financial Position, the Statement of Changes in Net Assets/Equity, detailed disclosures of transitional provisions under IPSAS 33, and a reconciliation of budgeted amounts to actual accrual amounts. The absence of these elements arises from limitations inherent in the prescribed template and does not constitute non-compliance on the part of the School.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

The financial statements for the year ended 30 June, 2025 was received on 02 March, 2026, six (6) months after the statutory date of 31 August, 2025. This was contrary to Regulation 101(4) of the Public Finance Management (National Government) Regulations, 2015 that states that an Accounting Officer shall prepare and submit financial statements within three months after the closure of financial year. Late submission of financial report adversely affects the Office of the Auditor-General in meeting the statutory timelines.

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

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

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects operations capitation grants of Kshs.1,947,877 for year under review. Included in the amount is Kshs.564,750 in respect to infrastructure grants. However, only an amount of Kshs.453,000 was transferred to infrastructure account from operations account resulting to an unexplained variance of Kshs.111,750. Further, the amount of Kshs.453,000 was not transferred within 15 days of receipt in operations account in contravention to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3-2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt in the operations account. Failure to transfer funds to the school infrastructure account from operation account denies the school money for infrastructure improvement.

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

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

The statement of receipts and payments as disclosed in Note 9 to the financial statements reflects boarding and school fund expenditure amount of Kshs.7,760,140. Included in the expenditure is an amount of Kshs.28,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from school principals, only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools as provided in Regulation 23(2)(c) of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

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

4. Failure to Prepare School Improvement Plan

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

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

5. Non-Compliance with Law on Affirmative Action

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

Review student records provided revealed discrepancies between student data in the National Education Management Information System (NEMIS) and school records relating to the enrolment of students. During the year under review, NEMIS reported a total number one hundred and forty-nine (149) students while the enrolment record in the school indicated a total one hundred and seventy-eight (178) students resulting to a variance of 24 students.

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

2. Lack of Procurement Function

During the year under review, the school did not have a functional procurement unit managed by qualified procurement professional to guide on the procurement of goods and services hence making the procurement process ineffective.

In the circumstances, existence of an effective procurement mechanism could not be confirmed.

3. Failure to Maintain Fixed Assets Register

The financial statements and disclosed in Annex 2 to the financial statement reflects summary of fixed assets register which has disclosed nil historical cost. However, no supporting fixed assets register was provided for audit review.

In the circumstances, the existence of effective measures in 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 (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal 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

8 May, 2026

6. Statement Of Receipts and Payments for the Year Ended 30th June 2025

Description Of Vote Head	Note	2024-2025	2023-2024
		Kshs.	Kshs
Receipts			
Government grants for tuition	1	460,257	503,427
Government grants for operations	2	1,947,877	2,082,229
Government Grants for infrastructure	3	453,000	362,600
School fund income- parents' contributions	4	6,275,251	7,547,045
Miscellaneous incomes	5	75,492	92,375
Total Receipts		9,211,877	10,587,676
Payments			
Tuition	6	367,275	556,093
Operations	7	2,177,981	2,185,977
Infrastructure	8	0	265,227
Boarding and school fund	9	7,760,140	6,392,700
Total Payments		10,305,396	9,399,997
Surplus/Deficit		(1,093,519)	1,187,679

The school financial statements were approved on 16TH AUG 2025 and signed by:

MR .KISPAN

 22/4/26

Name:

Chair BOM

Date: 16TH AUG 2025

MR. PETER GATHAGA

 22/4/26

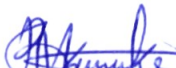
Name:

School Principal/ Secretary to BOM

Date: 16TH AUG 2025

MR BENARD KAKEEMP

Name:

 22/4/26

Bursar/ Finance Officer

Date: 16TH AUG 2025

7. Statement of Assets and Liabilities As At 30th June 2025

Description	No te	2024-2025 Kshs.	2023-2024 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	577,378	1,226,794
Cash balances	11	0	24,168
Short term investments	12	0	0
Total cash and cash equivalent		577,378	1,250,962
Account's receivables	13	2,427,497	3,246,200
Total financial assets (a)		3,004,875	4,497,162
Financial liabilities			
Accounts payables	14	(7,606,357)	(7,769,788)
Total Financial Liabilities (b)		(7,606,357)	(7,769,788)
Net financial assets (a-b)		(4,601,482)	(3,272,626)
Represented by			
Accumulated fund b/fwd	15	(3,272,626)	(7,411,859)
Surplus/deficit for the year		(1,093,519)	1,187,679
Net Assets		(4,366,145)	(6,224,180)

The school financial statements were approved on 16TH AUG 2025 and signed by:

MR. KISPAN

Name:

Chair BOM

Date: 16TH AUG 2025

MR. PETER GATHAGA

Name:

School Principal/ Secretary to
BOM

Date: 16TH AUG 2025

MR BENARD KAKEEMP

Name:

Bursar/ Finance Officer

Date: 16TH AUG 2025

8. Statement of Cash Flows for the Year Ended 30th June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	460,257	503,427
Government grants for operations	2	1,947,877	2,082,229
Government grants for infrastructure	3	453,000	362,600
School fund income- parents contributions/ fees	4	6,275,251	7,547,045
Other income	5	75,492	92,375
Total receipts		9,211,877	10,587,676
Payments			
Cash outflows for tuition	6	367,275	556,093
Cash outflows for operations	7	2,177,981	2,185,977
Cash outflows for infrastructure	8	0	265,227
Cash outflows Boarding/lunch and school fund payments	9	7,760,140	6,392,700
Total payments		10,305,396	9,399,997
Net cash inflow/outflow from operating activities		(1,093,519)	1,187,679
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		0	0
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		(1,093,519)	1,187,679
Cash and cash equivalent at beginning of the FY		1,250,962	552,801
Cash and cash equivalent at end of the FY		577,378	1,250,962

The school financial statements were approved on 16TH AUG 2025 and signed by:

MR .KISPAN

Name:

Chair BOM

Date: 16TH AUG 2025

MR. PETER GATHAGA

Name:

**School Principal/ Secretary to
BOM**

Date: 16TH AUG 2025

MR BENARD KAKEEMP

Name:

Bursar/ Finance Officer

Date: 16TH AUG 2025

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2025

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					
Teaching / Learning Materials	732,659	0	732,659	460,257	63%
(2) Capitation Grant on Operations					
O.V.H (PE, EWC,ADM)	3,121,640	0	3,121,640	1,100,482	35%
Repairs And Maintenance	1,023,600	0	1,023,600	564,750	55%
Local Transport / Travelling					
Electricity And Water					
Medical	353,600	0	353,600	169,610	48%
Administration Costs					
Activity	303,900	0	303,900	113,035	37%
3) FDSE for infrastructure					
Maintenance &Improvement MoE				453,000	
M&I parents' contribution					
(4) Fees Charged on Parents					
Personnel Emoluments	2,247,062	0	2,247,062	993,270	44%
Repairs And Maintenance	1,023,600	0	1,023,600	256,400	25%
Local Transport / Travelling	773,200	0	773,200	248,800	32%
Electricity And Water	455,398	0	455,398	192,100	42%
Administration Costs	419,180	0	419,180	133,534	32%
Activity	303,900	0	303,900	32,200	11%
Prepayments	0	0	0	205,036	0
Fee arrears recoveries	0	0	0	993,387	0
Transfers	0	0	0	410,700	0
Fee On Boarding Equipment and Stores	4,259,745	0	4,259,745	2,809,824	66%

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
5) Miscellaneous Income					
Loans / Borrowing					
miscellaneous income	0	0	0	75,492	0
Total Income	13,689,984	0	13,689,984	9,211,877	67%
(6) Expenditure For Tuition					
Teaching / Learning Materials	732,659	0	732,659	367,275	50%
(7) Expenditure For Operations					
O.V.H (PE, EWC,ADM)	3,121,640	0	3,121,640	1,160,739	37%
Repairs, Maintenance & Improvements	1,750,000	0	1,750,000	48,453	5%
Local Transport / Travelling	773,200	0	773,200	274,038	35%
Transfers	0	0	0	453,000	0
Medical	353,600	0	353,600	7,893	2%
Activity Expenses	303,900	0	303,900	233,858	77%
Gratuity					
SMASSE					
(8) Expenditure For infrastructure					
RMI		0		0	
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	2,247,062	0	2,247,062	1,268,285	56%
Repairs, Maintenance and Improvements					
Local Transport / Travelling	773,200	0	773,200	595,272	77%
Electricity, Water and Conservancy	455,398	0	455,398	225,796	50%
Medical Expenses	353,600	0	353,600	130,020	37%
Administration Costs	419,180	0	419,180	227,620	54%
Activity	303,900	0	303,900	243,208	80%
Transfers	0	0	0	235,447	0
Lunch Programme					

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
Boarding Equipment and Stores	4,259,745	0	4,259,745	3,571,249	84%
Creditors paid	0	0	0	1,254,708	0
Bank Charges	0	0	0	8,535	0
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	14,416,384	0	14,416,384	10,305,396	71%

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

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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 2024.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024/2025	2023/2024
	Kshs.	Kshs
Teaching / Learning Materials	460,257	503,427
Others (specify) *		
Total	460,257	503,427

2 Government Grants for Operations

Description	2024/2025	2023/2024
	Kshs.	Kshs
O.V.H (PE, EWC, ADM)	1,100,482	1,317,181
Repairs And Maintenance	564,750	435,200
Local Transport / Travelling	0	0
Medical	169,610	166,650
Administration Costs		
Activity	113,035	163,197
Other Vote Heads (specify)*		
Total	1,947,877	2,082,229

3 Government Grants for infrastructure

Description	2024/2025	2023/2024
	Kshs.	Kshs
Maintenance & Improvement	453,000	362,600
Total	453,000	362,600

4 School Fund Income - Parents Contribution/Fees

Description	2024/2025	2023/2024
	Kshs.	Kshs
Personnel emoluments	993,270	1,308,790
Repairs and maintenance	256,400	349,500
Local transport / travelling	248,800	325,560
Electricity and water	192,100	245,815
Medical	0	0
Administration costs	133,534	166,920
Activity	32,200	36,880
Fee on Boarding Equipment and stores	2,809,824	3,652,710
Fee Arrears recovery	993,387	1,044,155
Prepayment	205,036	416,715
Transfers	410,700	0
Borrowings	0	0
Other incomes	0	0
Total	6,275,251	7,547,045

5 Miscellaneous Incomes

Description	2024/2025	2023/2024
	Kshs.	Kshs
Other Income (Penalties)	75,492	92,375
Total	75,492	92,375

Notes to the Financial Statements (continued)

6 Tuition

Description	2024/2025	2023/2024
	Kshs.	Kshs
Teaching / Learning Materials	367,275	556,093
Exams And Assessment	0	0
Total	367,275	556,093

7 Operations

Description	2024/2025	2023/2024
	Kshs.	Kshs
O.V.H (PE, EWC, ADM)	1,160,739	1,336,354
Repairs And Maintenance & Improvements	48,453	1,450
Local Transport / Travelling	274,038	191,033
Transfers	453,000	362,600
Medical	7,893	9,890
Activity Expenses	233,858	284,650
Total	2,177,981	2,185,977

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2024/2025	2023/2024
	Kshs.	Kshs
RMI	0	265,227
Total	0	265,227

9 Boarding And School Fund

Description	2024/2025	2023/2024
	Kshs.	Kshs
Personnel Emoluments	1,268,285	185,624
Repairs And Maintenance & Improvements	0	224,375
Local Transport / Travelling	595,272	339,996
Electricity And Water	225,796	253,166
Medical Expenses	130,020	143,151
Administration Costs	227,620	358,166
Transfers	235,447	250,000
Bank Charges	8,535	18,042.00
Activity	243,208	464,049
Fee On Boarding Equipment and Stores	3,571,249	2,651,020
Creditors Paid	1,254,708	1,505,111.00
Total	7,760,140	6,392,700

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024/2025	2023/2024
	Active/Dor mant		Kshs.	Kshs
Tuition Account	active	1132796121	93,533	550
Operations Account	active	0850298902813	129,877	302,515
School Fund Account/Boarding	active	0850270385666 -equity 11356974334-kcb	8,231	115,786
Infrastructural Account	active	0850279064019	345,737	807,943
Total			577,378	1,226,794

11 Cash In Hand

Description	2024/2025	2023/2024
	Kshs.	Kshs
Notes and Coins	0	24,168
Total	0	24,168

12 Short Term Investments

Description	2024/2025	2023/2024
	Kshs.	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Total	0	0

13 Accounts Receivable

Description	2024/2025	2023/2024
	Kshs.	Kshs
Fees Arrears	2,427,497	3,246,200
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	2,427,497	3,246,200

13 b) Ageing Analysis of Accounts Receivable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	1,830,305	75%		
Between 1- 2 years (897,485 + 743,862 – 1,044,155 Recoveries)	597,192	25%	897,485	28%
Between 2-3 years			2,348,715	72%
Over 3 years				
Total (should tie to note 13 a)	2,427,497	100 %	3,246,200	100%

14 Accounts Payable

Description	2024/2025	2023/2024
	Kshs.	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	8,023,072	8,186,503
Prepaid Fees	(416,715)	(416,715)
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	7,606,357	7,769,788

14a. Ageing Analysis of Accounts Payable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year				
Between 1- 2 years	0		556,015	7%
Between 2-3 years				
Over 3 years	8,023,072		7,630,488	93%
Total (should tie to note 14)	8,023,072		8,186,503	100%

15 Fund Balance Brought Forward

Description	2024/2025	2023/2024
	Kshs	Kshs
Bank Balances	1,226,794	548,144
Cash Balances	24,168	4,658
Short Term Investments	0	0
Receivables	3,246,200	2,685,502
Payables	(7,769,788)	(10,650,163)
Total	(3,272,626)	(7,411,859)

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	2024/2025	2023/2024
	Kshs	Kshs
Bank Loans		
Total	0	0

17 Biological assets

Description	Numbers	2024/2025	2023/2024
		Kshs	Kshs
Trees		475	338
Total		475	338

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
Balance at the end of the year	0	0

Other important disclosure notes

19 Stock/ Inventory

Description	2024/2025	2023/2024
	Kshs	Kshs
Food stuffs	15,000	56,000
Lab consumables	215,000	208,000

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)

NGATATAEK SENIOR
SCHOOL

22 APR 2025

DEPT:
P.O. Box 368-00207, NAMANGA
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	Outstandi ng Balance 2024/2025	Outstandin g Balance 2023/2024	Com ments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Creditors list totals				7,606,357	7,769,788	
2.						
Sub-Total						
Grand Total				7,606,357	7,769,788	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2025	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land				
Buildings And Structures		0		
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Total				

NB/ The School assets have never been valued in any financial year.

NB/ The school land is 22 ha and located in ngatataek, kajiado central. Its only 500m from ngatataek shopping centre.