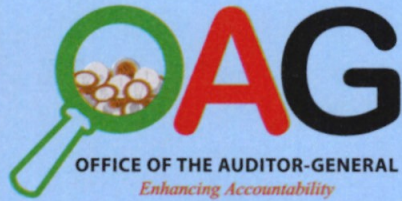


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

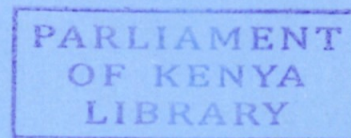
REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUN 2026	
DAY: <u>WEDNESDAY</u>	
TABLED BY:	<u>HON. OWEN BAYA, MP</u> <u>DEPUTY LEADER OF OPPOSITION</u>
CLERK-AT THE-TABLE:	<u>ESTHER NG'ANG'ANG</u>

OF

THE AUDITOR-GENERAL

ON



MANG'U HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2025

KIAMBU COUNTY



MANG'U HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

Transitional Financial Statements Prepared 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
MIF	Maintenance and Improvement Fund

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 Kiambu County, Juja Sub-County.

The school was registered in 2022 under registration number 22S00300810 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 2706 number of students as at 30th June 2025. It has 14 streams and 128 teachers of which 13 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	Anthony Maina Mithanga	Chairman - Sponsor	28/5/2025
2	Bernard Mwangi Kingah	Secretary - Principal	28/5/2025
3	Dr. Esther Gachara	Member – Parent/Community	28/5/2025
4	Maj.Gen. Timothy Lekoolool	Member –Parent/Community	28/5/2025
5	Dr. Elishiba Murigi	Member –Parent/Community	28/5/2025
6	Martin Njenga Mbugua	Member-Parent/Community	28/5/2025
7	Esther W. Kingori	Member-Parent/Community	28/5/2025
8	Francis Mungai Kiarie	Member-Parent/Community	28/5/2025
9	Dr. Margaret M. Nganga	Member – Rep CEB	28/5/2025
10	Peter Kinyanjui Gitau	Member Rep Teachers	28/5/2025
11	Bernadette W. Ributhu	Members - Sponsor	28/5/2025
12	Dominic Mburu Ngugi	Members - Sponsor	28/5/2025
13	Michael Mbiyu Muhoho	Member – Special Interest Group	28/5/2025
14	Prof. Kefah Njenga	Member Special Needs	28/5/2025
15	Daniel Gichuhi	Co-opted Member/PA Chair	28/5/2025
16	Pearson Njiru	Co-opted Member	28/5/2025
17	Dylan Okomol	Rep Students	28/5/2025

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. Anthony Maina Mithanga 2. Dr. Margaret Nganga 3. Mr. Daniel Gichuhi 4. Prof Kefah Njenga 5. Mr. Bernard Kingah	Chairperson Member Member Member Member	3
2	Audit Committee	1. Mrs. Bernadette Gitau 2. Mr. Dominic Mburu Ngugi 3. Mr. Francis Mungai Kiarie	Chairperson Member Member	3
3	Finance, procurement and general purposes Committee	1. Mr. Anthony Maina Mithanga 2. Dr. Margaret Nganga 3. Mr. Daniel Gichuhi	Member Member Member	3

MAN'U HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

		4. Prof. Kefah Njenga 5. Mr. Bernard M. Kingah	Chairperson	
4	Academic Committee	1. Dr. Margaret Nganga 2. Mr. Peter Gitau 3. Mr. Daniel Gichuhi 4. Dr. Esther Gachara 5. Maj. Gen. Timothy Lekolool 6. Mr. Bernard M. Kingah 7. Mr. Pearson Njiru	Chairperson	5
5	Development Committee	1. Mr. Anthony Maina Mithanga 2. Mr. Daniel Gichuhi 3. Mr. Bernard M. Kingah 4. Prof. Kefah Njenga 5. Dr. Elishiba Murigi 6. Mr. Michael Mbiyu Muhoho		3
6	Discipline and welfare Committee	1. Mrs. Esther Kingori 2. Prof. Kefah Njenga 3. Dr. Esther Gachara 4. Mr. Bernard M. Kingah 5. Mr. Pearson Njiru 6. Dr. Elishiba Murigi 7. Mr. Martin Njenga Mbugua	Chairperson	3
7	Adhoc Committee (if any during the year)	1. Ms. Anne Kibue 2. Mr. Harrison Thairu 3. Mr. Peter Gitau 4. Mr. Peter Mucheru 5. Ms. Jennifer Mkazoya		4

(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. Bernard M. Kingah	TSC No.350589
2	Deputy Principal	Mr. Lawrence Mungai	TSC No. 389102
3	Deputy Principal	Mr. Peter Njoroge Thairu	TSC No. 387444
4	School Bursar	CPA Anne. R. Kibue	ICPAK NO. 8671
5	Other (specify)		

(e) Schools contacts

Post Office Box: 314-01000 THIKA
Telephone: 067-2220270
E-mail: info@manguhigh.com
Website: www.manguhigh.com
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: Absa
Branch: Thika
Account Numbers: (i) 031-1097350
(ii) 031-1057170
(iii) 031-1045687
(iv) 2021624538
2. Name of Bank: KCB
Branch: JKUAT/JUJA
Account Number: 1266199195
3. Name of Bank: Co-operative Bank of Kenya
Branch: Thika
Account Number: 01129734805400
4. Name of Bank: SBM Bank
Branch: Thika
Account Number: 0102091054013
0102091054014
5. MPESA Pay Bill No. 303034 attached to 031-1097350 bank account

MPESA Pay Bill No. 7806040 attached to 1266199195 bank account

(g) Independent Auditors

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

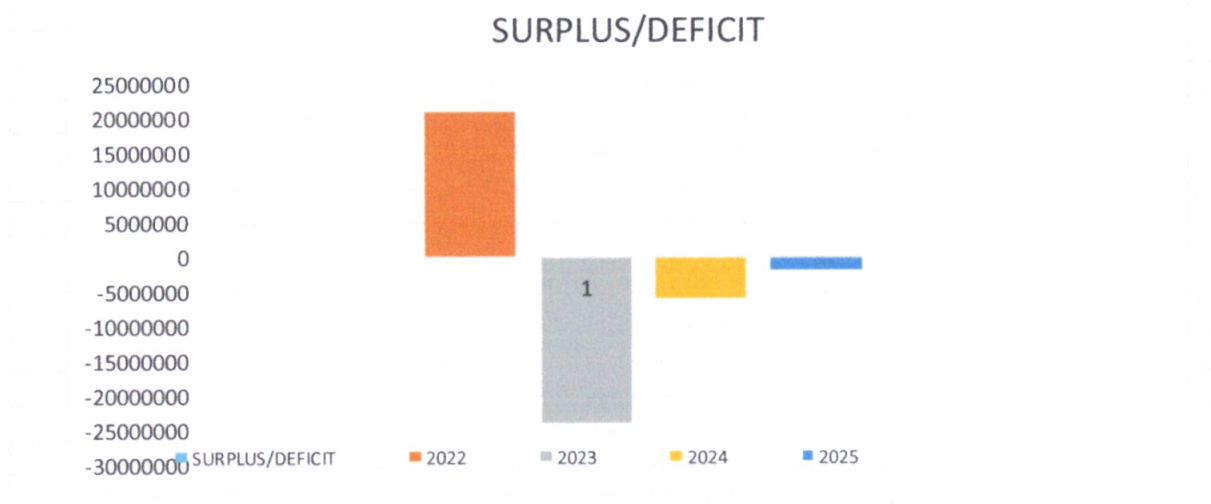
3. Summary Report of Performance of The School

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

a) Financial performance:

SURPLUS/DEFICIT

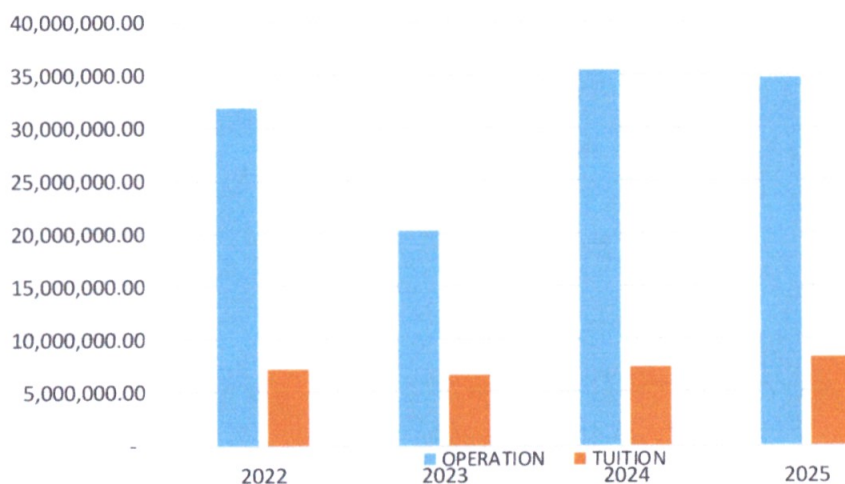
2022	21,059,979.75
2023	(23,859,192.00)
2024	(5,850,943.00)
2025	(1,846,133.00)



CAPITATION GRANT FROM MINISTRY

	OPERATION	TUITION
2022	31,949,039.30	7,237,311.80
2023	20,409,192.00	6,736,670.00
2024	35,443,843.30	7,321,412.00
2025	34,757,715.00	8,237,602.00

CAPITATION GRANT FROM MINISTRY



RATIO OF CAPITATION GRANT PER STUDENT

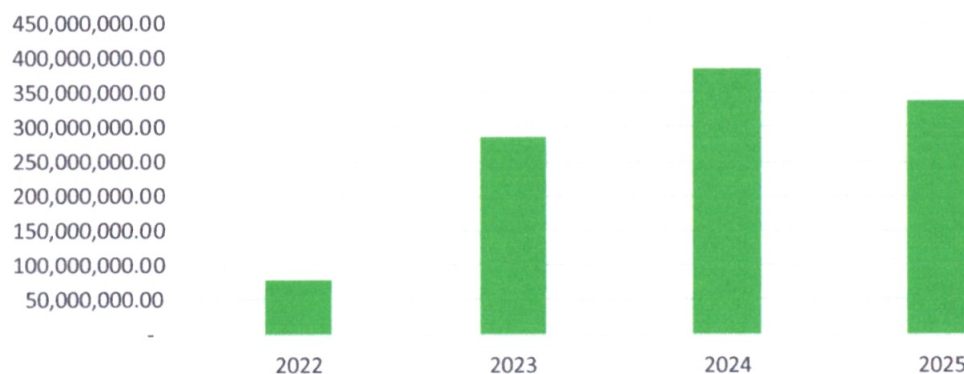
RATIO OF CAPITATION GRANT PER STUDENT			
YEAR	GRANT	NO OF STUDENTS	
2022	39,186,351.10	2438	16073.2
2023	27,145,862.00	2751	9867.6
2024	42,765,255.30	3375	12671.2
2025	42,995,317.00	2743	15674.6

OVERVIEW OF GROWTH OF OTHER INCOME

GROWTH OF OTHER INCOME

YEAR	INCOME
2022	78,779,037.00
2023	286,361,870.00
2024	383,867,380.00
2025	339,221,000.00

GROWTH IN OTHER INCOME

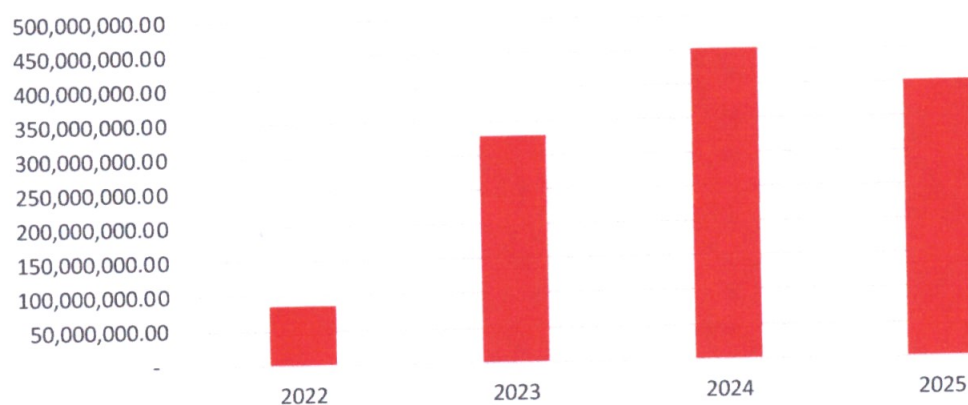


OVERVIEW OF GROWTH IN EXPENDITURE

GROWTH IN EXPENDITURE

YEAR	EXPENDITURE
2022	85,319,699.40
2023	327,250,407.35
2024	450,495,820.00
2025	401,404,920.00

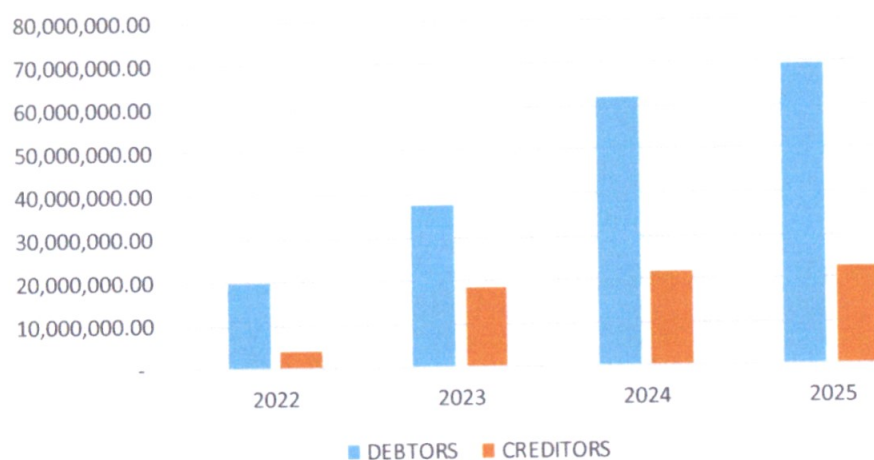
GROWTH IN EXPENDITURE EXPENDITURE



MOVEMENT OF DEBTORS AND CREDITORS

YEAR	DEBTORS	CREDITORS
2022	19,921,368.00	3,929,045.00
2023	37,303,378.00	18,548,889.00
2024	61,968,566.00	21,548,448.00
2025	69,432,766.00	22,713,346.00

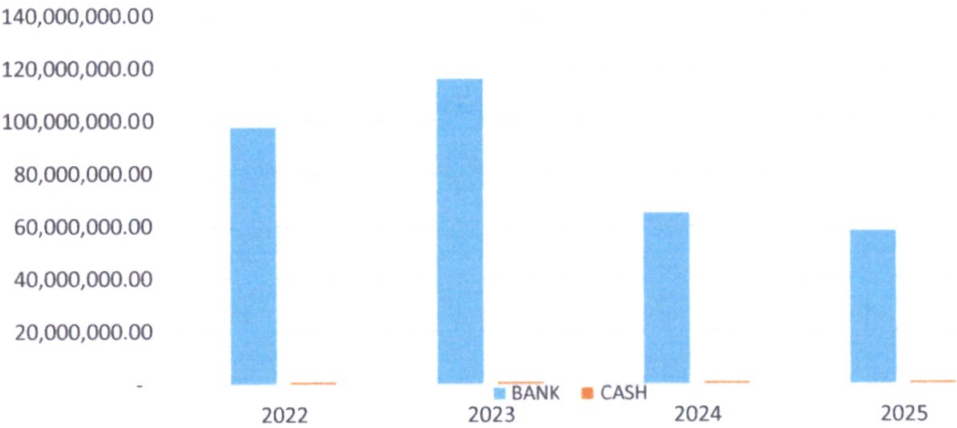
MOVEMENT OF DEBTORS AND CREDITORS



CASH AND BANK BALANCES

YEAR	BANK	CASH
2022	97,933,708.20	19,570.00
2023	116,247,302.95	3,789.00
2024	64,867,691.00	7,637.00
2025	57,620,149.00	10,379.00

CASH AND BANK BALANCES



b) Teacher Student ratio:Teacher to student ratio: **1:22**Number of teachers recruited and posted to the school within the year: **5**

Number of teachers that were transferred: Out:3 In: 23

Number of teachers retired during the period: **3**Number of teachers employed by TSC: **115**Number employed by BOM: **13**

Number of teachers the school has for each subject:

Subject	No. of Teachers
English	19
Kiswahili	16
Mathematics	22
Biology	14
Physics	12
Chemistry	14
History & Government	7
Geography	8
Christian Religious Education	4
Islamic Religious Education	1
French	2
German	2
Agriculture	1
Computer Studies	5
Power Mechanics	1
Electricity	1
Aviation Technology	2
Music	2
Business Studies	4

c) The mean score in the 2024 KCSE:

Year	Mean Score	Mean Grade
2024	9.8982	B+
2023	9.497	B+
2022	10.346	B+
NOTE: There was an improvement in the mean score in KCSE 2024 as compared to KCSE 2023 of +0.4012.		
In 2023 and 2024, 95% of the candidates attained C+ and above and there transitioned to the university.		

d) Number of Candidates in the 2024 KCSE:

Year	No. of Candidates in the KCSE
2024	609
2023	549
2022	500

e) The capacity of the school:

No. of Students	2743
No. of Classrooms	53
No. of Laboratories	10
No. of Dining Halls	2
No. of Dormitories	20
No. of Toilets	204
No. of Bathrooms	200
No. of Libraries	2
No. of Resource Centres	1
No. of ICT Centres	3

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
(i) 1 classroom, ablution block and 2 offices	MIF	100% complete	5,320,000.00	5,320,000.00	31/7/2024
(ii) Modern field ablution block	MIF	100% complete	2,591,670.00	2,882,225.00	28/5/2025
(iii) Solar powered borehole and water storage	Parents	50%	5,000,000.00	1,628,640.00	15/9/2024
(iv) Purchase of a school van	Parents	100%	5,200,000.00	5,200,000.00	12/6/2025



School Principal

MANG'U HIGH SCHOOL
 P. O. Box 314 - 01000, THIKA
 TEL: 067-222 0270
 DATE: _____ SIGN: _____

4. Statement of School Management Responsibility

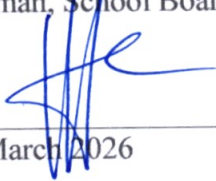
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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 Mang’u High School accepts responsibility for the school’s financial statements, which have been prepared on the transitional accrual basis 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.

Name: Anthony Maina Mithanga
Designation: Chairman, School Board of Management

Sign: 
Date: 12th March 2026

Name: Bernard M. Kingah
Designation: School Chief Principal & Secretary to Board of Management

Sign: 
Date: 12th March 2026

Name: Anne Ruguru Kibue
Designation: Finance Officer

Sign: 
Date: 12th March 2026

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 MANG'U HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025 - KIAMBU 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 Mang'u High School set out on pages 1 to 25, which comprise of the statement of assets and liabilities

as at 30 June, 2025, and the statement of financial performance, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Mang'u High School as 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. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.69,432,766 in respect of fees arrears, KNEC arrears and salary advance as disclosed in Note 13 to the financial statements. Audit review of records revealed an outstanding student debt balance of Kshs.21,828,062 which had been outstanding for more than one (1) year.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.21,828,062 could not be confirmed.

2. Disputed Land Ownership

Annex 2 to the financial statements reflects a summary of fixed assets register which includes motor vehicles and a tractor with a historical cost balance carried forward of Kshs.20,600,000. During the audit inspection it was revealed that the School occupies approximately two hundred and ten (210) acres of land of unknown amount. Included, is about Zero point seven (0.7) hectares that has been encroached upon by a nearby primary school. The primary school has already constructed eight (8) Competency-Based Curriculum (CBC) classrooms on the encroached portion and the facilities are currently operational.

In the circumstances, the completeness and ownership of the land owned by the School could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mang'u High 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. 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

1. Significant Exemptions by PSASB in the Financial Reporting Template

The financial statements have been prepared using the FY 2024/25 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.

2. Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the School in the financial year 2024/2025, revealed seven (7) issues that remained unresolved as listed below.

No.	Financial Year	Audit Issue
1	2023/2024	Long outstanding receivables
2	2023/2024	Budgetary control and performance
3	2023/2024	Irregular charge of commitment fees
4	2023/2024	Net pay below the statutory a third of basic salary
5	2023/2024	Overpayment of retention Money
6	2023/2024	Irregular transfer of funds to Kenya secondary school heads association
7	2023/2024	Failure to maintain a fixed assets register

Other Information

The Management is responsible for the Other Information set out on page ii to xviii which comprise 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 of 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 and 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. Overfunding of Capitation Grants

The statement of financial performance reflects capitation grants for tuition and capitation grants for operations amount of Kshs.8,237,602 and Kshs.34,757,716 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year 2024/2025, NEMIS reported a total number of eight thousand two hundred and thirty seven (8,237) while the records from the school registers indicated a total number of eight thousand two hundred and ten (8,210) resulting in an unexplained variance of twenty seven (27) students. As a result of the variances, the School was overfunded by an amount of Kshs.98,535.

In the circumstances, the over-funding may have led to irregular allocation of funds to the School.

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

The statement of financial performance reflects Boarding and School Fund payments amount of Kshs.333,507,246 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.2,773,500 transferred to the Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that

draws its membership from School Principals only. The organization is not defined in the 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.

In the circumstances, value for money transferred to KESSHA, amounting to Kshs.2,773,500 could not be confirmed.

3. Non-Inclusion of Capacity Building Levy

The statement of financial performance reflects an expenditure amount of Kshs. 394,803,110 as disclosed in Notes 6, 7, 8, and Note 9 to the financial statements. Included in this is an amount of Kshs.273,993,381 in respect of procurement contracts signed with the School's suppliers. Review of payments for goods and services revealed that there was no deduction of the public procurement capacity building levy of 0.03% on the contracts, contrary to the Levy Order,2023 issued by the Public Procurement Regulatory Authority.

In the circumstances, Management was in breach of the law

4. Unapproved Fees on Parents Association Support Programme

The statement of financial performance reflects school fund income-parents' contributions amount of Kshs.304,795,043 as disclosed in Note 4 to the financial statements, which includes Parent Association Support Programme amount of Kshs.55,954,374. Examination of the records revealed that the School charged an amount of Kshs. 46,082 per student to support the Programme, which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that a parent will only pay for school uniforms, boarding related costs as reflected in the boarding fee structure and lunch for the day scholars.

In the circumstances, Management was in breach of the Government Guidelines on Free Day Secondary Education.

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. Lack of an Internal Audit Function Review

During the year under review, the School had no internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), Regulations, 2015 which requires the internal audit unit of a National Government entity to assess its effectiveness through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the School did not benefit from the oversight role and advice from the internal audit function.

2. Use of Asbestos Roofing Materials

The Fourth Schedule of the Environmental Management and Coordination (Waste Management) Regulations, 2006 classifies materials containing asbestos as hazardous and potentially carcinogenic. Physical verification of the School's infrastructure conducted in March, 2026 however, revealed sixteen (16) staff houses, two (2) laboratories, fourteen (14) classrooms, ten (10) dormitories, three (3) laundries, one (1) library, two (2) workshops, one (1) dining hall and one (1) administration block with asbestos roofing. This was contrary to the Ministry of Environment, Climate Change and Forestry circular Ref: MEF/EMC/1/1 dated 23 August, 2024 that directed the removal of asbestos roofing by Government agencies including offices, houses and learning institutions' premises as a means of providing a clean, safe, healthy and sustainable environment.

In the circumstances, the School poses a health risk to the students and staff with the continued deterioration of the roofing.

3. Inadequate Management and Under-Collection of Rental Income

During the audit, it was noted that the School disclosed a total of thirty (30) housing units under its control. However, the total rental income reported for the entire financial year amounted to Kshs.170,250, which appears significantly low relative to the number of units available. In addition, the rental rates charged per housing unit are considerably low, and Management did not provide the basis used to determine the standard rental rates for the houses. The absence of a documented rental charge rate and inconsistent rent collection raise concerns regarding the adequacy of rental income management.

In the circumstances, the internal controls put in place for the management of rental income 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 control, 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 those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (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.

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

Auditor-General's Responsibilities for the Audit

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

27 April, 2026

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****6. Statement Of Financial Performance for the Year Ended 30th June 2025**

Description Of Vote Head	Note	2024 - 2025	2023 - 2024
		Kshs	Kshs
Revenue			
Government grants for tuition	1	8,237,602	7,321,412
Government grants for operations	2	34,757,716	36,343,343
Government Grants for infrastructure	3	10,740,659	11,284,782
School fund income- parents' contributions	4	304,795,043	338,516,974
Miscellaneous incomes	5	34,425,957	45,350,406
Total Revenue		392,956,977	438,816,917
Expenditure		-	-
Tuition	6	9,334,947	6,726,624
Operations	7	38,970,981	35,462,474
Infrastructure	8	12,989,936	8,934,692
Boarding and school fund	9	333,507,246	393,544,070
Total Expenditure		394,803,110	444,667,860
Surplus/Deficit		(1,846,133)	(5,850,943)

The school financial statements were approved on 12/03/2026 and signed by:


Anthony Maina Mithanga

Name:

Chair BOM

Date: 12/3/26


Bernard M. Kingah

Name:

School Principal/ Secretary to BOM

Date: 12/3/26

Anne R. Kibue

Name:


Bursar/ Finance Officer

Date: 12/3/26

MANG'U HIGH SCHOOL
P. O. Box 314 - 01000, THIKA
TEL:067-222 0270

DATE:.....SIGN:.....

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

Description	Note	2024 - 2025	2023 - 2024
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	N10	57,620,149	64,867,691
Cash balances	N11	10,379	7,637
Short term investments	N12	-	-
Total cash and cash equivalent		57,630,528	64,875,328
Account's receivables	N13	69,432,766	61,968,566
Total financial assets (a)		127,063,294	126,843,894
Financial liabilities		-	-
Accounts payables	N14	23,613,981	21,548,448
Total Financial Labilities (b)		23,613,981	21,548,448
Net financial assets (a-b)		103,449,313	105,295,446
Represented by		-	-
Accumulated fund b/fwd	N15	105,295,446	111,146,389
Surplus/deficit for the year		(1,846,133)	(5,850,943)
Net Assets		103,449,313	105,295,446

The school's financial statements were approved on 12/03/2026 and signed by:

.....
Name: Anthony M. Mithanga

Chair BOM

Date: 12/3/26

.....
Name: Bernard M. Kingah
School Principal/ Secretary to
BOM

Date: 12/3/26

.....
Name: Anne R. Kibue

Bursar/ Finance Officer

Date: 12/3/26

MANG'U HIGH SCHOOL
P. O. Box 314 - 01000, THIKA
TEL: 067-222 0270

DATE: SIGN:

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	-	8,237,602	7,321,412
Government grants for operations	-	34,757,715	36,434,343
Government grants for infrastructure	-	10,740,659	11,284,782
School fund income- parents contributions/ fees	-	340,424,144	385,286,687
Total receipts	-	394,160,120	440,327,224
Payments	-	-	-
Cash outflows for tuition	-	9,334,947	6,726,624
Cash outflows for operations	-	38,970,981	35,462,474
Cash outflows Boarding/lunch and school fund payment	-	340,317,541	399,372,030
Total payments	-	388,623,469	441,561,128
Net cash inflow/outflow from operating activities	-	5,536,651	(1,233,904)
-	-	-	-
Cash flow from investing activities	-	-	-
Acquisition of assets	-	(12,781,451)	(8,934,692)
Proceeds from sale of Assets	-	-	-
Proceeds from investments	-	-	-
Purchase of investments	-	-	-
Net cash inflow/outflows from investing activities	-	(12,781,451)	(8,934,692)
-	-	-	-
Cash flow from Financing activities	-	-	-
Proceeds from borrowings/ loans	N18	-	-
Repayment of principal borrowings	-	-	-
Net cash inflow/outflow from financing activities	-	-	-
-	-	-	-
Net increase/decrease in cash and cash equivalent	-	(7,244,800)	(10,168,596)
Cash and cash equivalent at beginning of the FY	-	64,875,328	75,043,924
Cash and cash equivalent at end of the FY	-	57,630,528	64,875,328

The school's financial statements were approved on 12/03/2026 and signed by:

.....
Name: Anthony M. Mithanga

Chair BOM

Date: 12/3/26

.....
Name: Bernard M. Kingah
School Principal/ Secretary to
BOM

Date: 12/3/26

.....
Name: Anne R. Kibue

Bursar/ Finance Officer

Date: 12/3/26

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

	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	8,237,602	-	8,237,602	8,237,602	100%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	13,285,926	-	13,285,926	13,285,926	100%
Local Transport / Travelling	2,803,575	-	2,803,575	2,803,575	100%
Electricity, Water and Conservancy	3,407,208	-	3,407,208	3,407,208	100%
Medical/Insurance	3,009,730	-	3,009,730	3,009,730	100%
Administration Costs	635,157	-	635,157	635,157	100%
Activity	1,521,620	-	1,521,620	1,521,620	100%
Maintenance Improvement Fund	10,094,500	-	10,094,500	10,094,500	100%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	10,432,900	-	10,432,900	10,432,900	100%
Interest Income	307,759		307,759	307,759	100%

MANG'U HIGH SCHOOL
Annual Report and Financial Statements 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
(4) Fees Charged on Parents		-			
Personnel Emoluments	15,758,150	-	15,758,150	15,577,755	99%
Repairs And Maintenance	20,610,500	-	20,610,500	17,235,418	84%
Local Transport / Travelling	8,841,160	-	8,841,160	8,271,039	94%
Electricity, Water and Conservancy	14,684,490	-	14,684,490	13,349,272	91%
Administration Costs	3,938,400	-	3,938,400	3,925,170	100%
Activity	17,385,050	-	17,385,050	15,693,883	90%
Boarding Equipment and Stores	136,395,050	-	136,395,050	117,436,213	86%
Tuition	21,940,420	-	21,940,420	20,001,604	91%
PTA Academic Improvement Program	31,114,000	-	31,114,000	26,170,619	84%
Development Fund	24,615,000	-	24,615,000	20,214,808	82%
Student Id Cards	328,600	-	328,600	328,600	100%
Uniform	9,587,200	-	9,587,200	9,130,753	95%
5) Miscellaneous Income					
Rent income	170,250	-	170,250	170,250	100%
Income From Farming Activities	4,724,337	-	4,724,337	4,724,337	100%
KNEC Marking Centre	19,965,590	-	19,965,590	9,746,525	49%
Tender Forms	132,000		132,000	132,000	100%
Breakages and Losses	489,150		489,150	489,150	100%
Chess Tournament	6,426,300		6,426,300	6,426,300	100%
Clubs and Societies	1,016,690		1,016,690	1,016,690	100%
Canteen Rent	468,000		468,000	468,000	100%
Hire of Facilities	1,609,302		1,609,302	775,750	48%
Total Income	393,935,616	-	393,935,616	345,020,113	88%

MANG'U HIGH SCHOOL
Annual Report and Financial Statements 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
(6) Expenditure For Tuition					
Textbooks	-	-	-	41,825	
Teaching / Learning Materials	8,237,602	-	8,237,602	9,283,935	113%
Bank Charges	-	-	-	9,287	
		-			
(7) Expenditure For Operations					
Personnel Emoluments	13,285,926	-	13,285,926	16,969,576	128%
Local Transport / Travelling	2,803,575	-	2,803,575	2,693,388	96%
Electricity, Water and Conservancy	3,407,208	-	3,407,208	4,267,884	125%
Medical/Insurance	3,009,730	-	3,009,730	2,696,092	90%
Administration Costs	635,157	-	635,157	556,000	88%
Activity Expenses	1,521,620	-	1,521,620	1,340,940	88%
Maintenance and Improvement Fund	10,094,500	-	10,094,500	10,432,900	103%
Bank Charges	-		-	14,201	
(8) Expenditure For infrastructure					
Construction of classrooms	10,105,986	-	10,105,986	10,105,986	100%
Construction of Ablution Block	2,882,225		2,882,225	2,673,740	93%
Bank Charges	-		-	1,725	

MANG'U HIGH SCHOOL
Annual Report and Financial Statements 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
(9) Expenditure For school fund.					
Personnel Emoluments	15,758,150	-	15,758,150	20,184,005	128%
Repairs, Maintenance and Improvement	20,610,500	-	20,610,500	26,615,351	129%
Local Transport / Travelling	8,841,160	-	8,841,160	10,529,247	119%
Electricity, Water and Conservancy	14,684,490	-	14,684,490	15,516,314	106%
Medical Expenses	-	-	-	1,361,891	
Administration Costs	3,938,400	-	3,938,400	6,365,825	162%
Activity	17,385,050	-	17,385,050	17,419,274	100%
Boarding Equipment and Stores	136,395,050	-	136,395,050	139,566,348	102%
Tuition	21,940,420	-	21,940,420	23,223,860	106%
PTA academic Improvement Program	31,114,000	-	31,114,000	24,117,540	78%
Development Fund	24,615,000	-	24,615,000	12,038,113	49%
Student School Id Cards	328,600	-	328,600	324,800	99%
Student Uniform	9,587,200	-	9,587,200	9,224,495	96%
Bank Charges	-	-	-	132,871	
Breakages and Losses	489,150		489,150	422,580	86%
School Farm	4,724,337		4,724,337	4,555,650	96%
Chess National Tournament	6,426,300		6,426,300	6,230,668	97%
Tenders	132,000		132,000	81,754	62%
KNEC Marking Centre	19,965,590		19,965,590	14,671,611	73%
Clubs and Societies	1,016,690		1,016,690	925,050	91%
Totals	393,935,616	-	393,935,616	394,594,726	100%

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

Statement of Compliance

The financial statements have been prepared in accordance with the PFM Act and International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33, and therefore, these first/second/third/year financial statements are transitional financial statements.

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period on an accrual basis unless otherwise specified (for example, statement of cash flow). Under an accrual basis, revenues are recognized when rights to assets are earned or levied rather than when cash is received, and expenses are recognized when obligations are incurred rather than when they are settled. The financial statements have been prepared and presented in Kenya Shillings to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of revenue and expenditure

The school recognizes all revenue from various sources when earned and all expenses when incurred.

The capitation grants include recurrent and development grants. Recurrent capitation are recognised in the statement of financial performance while development grants are recognised in the statement of financial position after meeting the revenue recognition criteria. The conditional grants will be recognised as revenue upon fulfilment of the set conditions.

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 financial performance both as revenue and as expenditure 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 2025.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	8,237,602	7,321,412
Others (specify)*	-	-
Total	8,237,602	7,321,412

2 Government Grants for Operations

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Personnel Emoluments	13,285,926	13,208,106
Repairs And Maintenance	-	788,040
Local Transport / Travelling	2,803,575	2,594,190
Electricity And Water	3,407,208	3,309,933
Medical	3,009,730	1,872,952
Administration Costs	635,157	1,232,072
Activity	1,521,620	1,677,200
House Rent	-	111,250
Maintenance Improvement Fund	10,094,500	11,549,600
Total	34,757,716	36,343,343

3 Government Grants for infrastructure

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Maintenance & Improvement	10,432,900	11,211,200
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Interest Earned	307,759	73,582
Total	10,740,659	11,284,782

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****4 School Fund Income - Parents Contribution/Fees**

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Personnel emoluments	15,577,755	20,504,611
Repairs and maintenance	20,610,500	18,836,750
Local transport / travelling	8,271,039	7,819,555
Electricity and water	14,684,490	15,655,992
Tuition Fees	21,940,420	22,389,100
Medical	-	-
Administration costs	3,925,170	8,096,385
Activity	17,382,050	19,950,704
Fee on Boarding Equipment and stores	136,395,050	151,331,406
Development Fund	24,615,000	16,234,122
Insurance	82,395	-
Uniform	9,643,200	25,175,649
PTA Academic Programme	31,339,374	32,010,000
Student ID	328,600	512,700
Total	304,795,043	338,516,974

5 Miscellaneous Incomes

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Rent Income	170,250	185,000
Income From Farming Activities	4,724,337	3,573,785
Tender	132,000	94,000
Income generating KNEC	19,965,590	18,462,033
Income from Clubs and Societies	1,016,690	731,675
Hire of Facilities	247,750	-
Breakages and Losses	489,150	840,882
Special Diet	257,890	262,031
Canteen Rent	468,000	159,000
Bus Hire	528,000	-
Chess National Tournament	6,426,300	4,192,000
Commitment	-	16,850,000
Total	34,425,957	45,350,406

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

6 Tuition

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Exercise Books	-	-
Textbooks	41,825	210,500
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	9,283,835	6,506,262
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	9,287	9,862
Total	9,334,947	6,726,624

7 Operations

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Personnel Emoluments	16,969,576	13,245,912
Maintainance Improvement Fund	10,432,900	11,211,200
Administration Cost	556,000	1,099,140
Repairs And Maintenance & Improvements	-	788,220
Local Transport / Travelling	2,693,388	2,057,307
Electricity And Water	4,267,884	4,607,337
Medical	2,696,092	1,594,802
Activity Expenses	1,340,940	838,120
Bank Charges	14,201	20,436
Total	38,970,981	35,462,474

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****8 Infrastructure**

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Construction of Classrooms	10,105,986	8,929,725
Construction of laboratory	-	-
Construction of Ablution Block	2,882,225	-
Construction of Resource Centre	-	-
Construction of Perimeter Wall	-	-
Bank Charges	1,725	4,967
Total	12,989,936	8,934,692

9 Boarding And School Fund

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Personnel Emoluments	20,184,005	21,979,417
Repairs And Maintenance & Improvements	26,615,351	28,392,308
Local Transport / Travelling	10,529,247	11,215,490
Electricity And Water	15,516,314	13,603,132
Medical Expenses	1,361,891	1,749,087
Administration Costs	6,365,825	7,169,299
Activity	17,419,274	17,706,567
Tuition Expense	23,223,860	28,649,757
Uniform Expense	9,224,495	25,025,103
Tender	81,754	41,480
Bank Charges	132,870	189,178
Expenses On Farming Activities	4,555,650	2,704,250
Fee On Boarding Equipment and Stores	139,566,348	140,286,837
Clubs and Societies	925,050	636,400
Development Fund	12,038,113	31,857,129
KNEC Marking	14,671,611	14,762,117
PTA Academic Programme	24,117,540	27,787,928
Student ID	324,800	497,400
Chess National Tournament	6,230,668	2,061,777
Breakages and Losses	422,580	477,360
Commitment Fee	-	16,752,054
Total	333,507,246	393,544,070

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2024 - 2025	2023 - 2024
	Active/Dormant		Kshs	Kshs
ABSA - Tuition Account	Active	031-1057170	59,354	1,156,699
ABSA - Operations Account	Active	031-1045687	567,604	4,780,869
ABSA - School Fund Account/B	Active	031-1097350	1,067,202	5,985,463
KCB - School Fees Collection A	Active	1266199195	43,094,064	37,689,753
CO-OP Bank - School Fees Coll	Active	01129734805400	536,288	918,479
ABSA - Infrastructural Account	Active	2021624538	8,930,809	10,971,600
SBM - Savings Account	Dormant	0102091054013	3,350,907	3,350,907
SBM - Savings Account	Dormant	0102091054014	13,921	13,921
Total			57,620,149	64,867,691

11 Cash In Hand

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Notes and Coins	10,379	7,637
Total	10,379	7,637

12 Short Term Investments

Description	2024-2025	2023-2024
	Kshs	Kshs
Cooperative Shares	2024-2025	2023-2024
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025****13 Accounts Receivable**

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Fees Arrears	59,204,576	53,172,783
Other Non-Fees Receivables		
Accommodation (KNEC)	10,190,190	8,688,883
Salary Advances (list/schedule attached)	38,000	106,900
Rent arrears (list/schedule attached)	-	-
Total	69,432,766	61,968,566

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	47,604,704	63%	32,648,382	61%
Between 1- 2 years	6,181,901	10%	5,989,708	11%
Between 2-3 years	4,445,226	8%	220,902	0%
Over 3 years	11,200,935	19%	14,313,791	27%
Total (should tie to note 13 a)	69,432,766	100%	53,172,783.00	100%

14 Accounts Payable

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	11,130,588	4,428,191
Prepaid Fees	11,237,678	15,005,676
Retention Monies	345,080	2,114,581
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	22,713,346	21,548,448

MANG’U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

14a. Ageing Analysis of Accounts Payable

Description	2024 - 2025		2023 - 2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	23,613,981	100%	21,548,448	100%
Between 1- 2 years	-	0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (should tie to note 14)	23,613,981	100%	21,548,448	100%

15 Fund Balance Brought Forward

Description	2024 - 2025	2023 - 2024
	Kshs	Kshs
Bank Balances	64,867,691	75,007,962
Cash Balances	7,637	35,962
Short Term Investments	-	-
Receivables	61,968,566	61,968,566
Payables	(21,548,448)	21,548,448
Total	105,295,446	111,146,389

MANG’U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

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 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Pigs	183	3,414,000	2,609,000
Total		3,414,000	2,609,000

17 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	1,353,316	3,171,050
Lab consumables	1,365,835	1,183,705
Medication	63,100	105,445
Construction and Hardware Materials	630,620	254,615
Stationeries, Sports Equipment, Cleaning Materials	3,140,699	3,395,698
TOTAL	6,553,570	8,110,513

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

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 Biological assets

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		Kshs	Kshs
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Total		3,414,000	2,609,000

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TOTAL	6,553,570	8,110,513

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

18 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)
	A. LONGSTANDING RECEIVABLES The statement of assets and liabilities reflects accounts receivables balance of Kshs. 61,968,566. Included in the balance are fee arrears receivables of Kshs. 53,172,783 out of which an amount of Kshs. 20,524,401 had been outstanding for more than a year.	The fee arrears of Kshs. 53,172,783 appears to be huge since the school academic year is termly, the financial year, however, is ending on 30th June 2024 and this is in the middle of term 2 where parents pay fees in instalments. Most of the Form 4 leavers leave the school with huge fee balances due to being needy and they do not come back to clear the fee arrears hence the amount continues to accumulate. There were sundry debtors of Kshs. 8,717,758.00. This was owed by KNEC at the end of the December 2023, the school having been a marking centre. The school has been able to collect fees arrears from the current	Unresolved	

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		and the old students to a tune of Kshs. 31,322,844; KNEC has also settled its debt in full as at June 2025. The school has also come up with the receivables and recoverable policy. (Appendix I) Fee Debtors Ledger		
	A. BUDGETARY CONTROL AND PERFORMANCE The statement of comparative budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.430,041,625 and Kshs.393,883,380 respectively resulting to an underfunding of Kshs.33,677,659 or 8% of the budget. However, the School management spent Kshs.439,169,276 against an approved budget of Kshs.393,883,380 resulting to an over-expenditure of Kshs.45,285,896 or 110% of the budget.	The school has an academic calendar year where the fees is collected in the ratio of 50:30:30. Most of the money collected in term one and two goes towards term 3 hence in the new financial year we spend from the accumulated fund from the previous years. There was also development fund which was collected in the year 2022/2023 yet the project was implemented in year 2023/2024 therefore causing the over expenditure in the year 2023/2024.	Resolved	

MANG'U HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2025

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Fluctuation in costs of commodities and amenities bills (fuel, water, electricity, etc) in the cost of the year also contributed to the overspending. The school has instituted internal budgetary control measures to curb over expenditure.		
	B. IRREGULAR CHARGE OF COMMITMENT FEES The statement of receipts and payments reflects miscellaneous income amount of Kshs. 45,430,406 as disclosed in Note 5 to the financial statements which includes commitment amount of Kshs. 16,850,000.00. Review of miscellaneous records revealed that the School charged an amount of Kshs.25,0000 per new entry students to support the school operations which had not been approved by the Ministry of	The BOM and PA approved the charge of Kshs 25,000.00 (Twenty-five thousand only) The school population had increased and therefore there was need for additional classrooms, desks and chairs to make the learners comfortable. The school will continue to seek approval from the Ministry of Education in the future.	Unresolved	

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Annual Report and Financial Statements For the year ended 30th June 2025

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that parents will only pay for school uniforms, boarding related costs as reflected in the boarding fees structure and lunch for the day scholars.			
	C. NET PAY BELOW THE STATUTORY A THIRD OF BASIC SALARY Review of payroll and supporting documentation revealed that in the month of June 2024, seventeen (17) employees had a net salary below one-third (1/3) of the basic salary, contrary to the human resource policy and procedures manual for the public service	Earnings below the statutory minimum is usually brought about by the fact that the said staff had over-committed their salaries through loans due to high cost of living. However, proper induction to the staff on how to manage finances will be done. The support staff have been sensitized on the need to maintain the 1/3 salary as required by law.	Resolved	

MANG'U HIGH SCHOOL
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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	and section 19 (3) of the employment act no. 17 of 2007 which will require that deductions made by an employer from the wages of his employees at any one time shall not exceed two-thirds of such wages.	This has already been implemented and the school is not advancing employees salary advance if they have other loans from the Staff SACCO and Welfare.		
	D. IRREGULAR TRANSFER OF FUNDS TO KENYA SECONDARY SCHOOLS HEADS ASSOCIATION The statement of receipts and payments reflects boarding and school fund payments amount of Kshs 391,429,489 as disclosed in Note 9 to the financial statements which includes an expenditure amount of Kshs 1,749,100 transferred to Kenya Secondary School Heads Association (KESSHA).	KESSHA Paid to manage co-curricular activities at sub-county and regional level. Circulars are always sent to schools to support the co-curricular activities at the sub-county, county and the regional levels since they have insufficient funds to carry out co-curricular activities for the year. The finances also include payments for Principals, Deputy Principals and Bursar's annual workshops and trainings. The school is engaging with KESSHA on regularizing its activities to be in line with statutory provisions	Unresolved	

MANG'U HIGH SCHOOL

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	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.			
	E. OVERPAYMENT OF RETENTION MONEY The statement of receipts and payments reflects boarding and school fund payments amount of Kshs 393,544,070 as disclosed in Note 9 to the financial statements. Included in this amount is an expenditure amounting to Kshs. 24,294,462 in respect to construction of dormitory block by	The project commenced on 5th March 2023. The duration was 6 months. We experienced delays during the project implementation hence when we were paying the last certificate, we released part of the 1st moiety and part of the 2nd moiety since the time had elapsed. Total retention is Kshs 2,429,462.00. The amount was released as follows: 1st	Resolved	

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Markant general Contractors Company Ltd which is inclusive of retention money amounting to Kshs. 2,429,462. However, upon issuance of the practical completion certificate, an amount of Kshs. 1,514,731 retention money was released which is 62% of the retention amount contrary to the 50% of the retention money in the standard contract provisions.	moiety Kshs 1,214,731.00. 2nd moiety Kshs 300,000.00 therefore giving a total of Kshs 1,514,731.00. The 2nd Moiety was paid in January 2025 as follows: Total (1,214,731 – 300,000) Balance = 900,635.00 The school has regularized on release of retention fee without delays to avoid such repetitions in the future. However, the second moiety was paid less Kshs. 299. 999.97 paid within the first moiety.		
	F. FAILURE TO MAINTAIN A FIXED ASSETS REGISTER Annex 2 to the financial statements - summary of fixed assets register reflects 210 acres of land with no approximate value, four (4) motor	We have started the process of doing the valuation of the fixed assets. We have started the process of tagging all the assets and we have completed the process in various departments. The work is in progress.	Unresolved	One Year

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	vehicles at a cost of Kshs. 16,470,000 and a tractor Kshs. 250,000. However, assets classified as buildings and structures, Office Equipment, furniture and fittings, ICT equipment and Assets, Textbooks, Other machinery and Equipment, Heritage and cultural Assets and intangible Assets were not disclosed. In addition, Management did not maintain an asset register in the format prescribed and the assets were not coded or tagged for ease of identification and tracking of the assets.			



Sign and Date
Chief Principal

MANG'U HIGH SCHOOL
P. O. Box 314 - 01000, THIKA
TEL:067-222 0270

DATE:.....SIGN:.....

MANG'U HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2025	Outstanding Balance Comparative 2025	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of Goods						
Broadway Bakery Ltd	1,392,150	30.06.25	0	1,392,150	1,392,150	To be paid by 31/08/25
Wamboga Vegetable Transporters	2,510,389	30.06.25	0	2,510,389	2,510,389	To be paid by 31/08/25
Huiusque Logistics Limited	838,658	30.06.25	0	838,658	838,658	To be paid by 31/08/25
Galana Energies Limited	260,016	23.06.25	0	260,016	260,016	To be paid by 31/08/25
Roba Jirmo Jatani	1,736,280	30.06.25	0	1,736,280	1,736,280	To be paid by 31/08/25
The Two Sisters Co Ltd	878,450	28.06.25	0	878,450	878,450	To be paid by 31/08/25
Top Cow Dairies	738,750	30.06.25	0	738,750	738,750	To be paid by 31/08/25
Spenza Limited	395,600	23.06.25	0	395,600	395,600	To be paid by 31/08/25
Joshua Waweru Kariru	244,400	25.06.25	0	244,400	244,400	To be paid by 31/08/25
Ruiru-Juja Water & Sewarage Co Ltd	880,940	30.06.25	0	880,940	880,940	To be paid by 31/08/25
Evergrane Book Sellers	385,000	26.06.25	0	385,000	385,000	To be paid by 31/08/25
Kenya Power & Lighting Co Ltd	566,925	30.06.25	0	566,925	566,925	To be paid by 31/08/25
Lizareen Electronics	188,030	26.06.25	0	188,030	188,030	To be paid by 31/08/25
KIGGS Suppliers	115,000	11.06.25	0	115,000	115,000	To be paid by 31/08/25
Retention fee on construction of Abulation Block	345,080	01.06.25	0	345,080	345,080	To be paid by 31/08/25
Students Prepaid fees as at 30th June 2025	11,237,678			11,237,678	11,237,678	
TOTAL	22,713,346			22,713,346	22,713,346	

MANG'U HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2025

Annex 2 – Summary of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Land						210 ACRES

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2025
Motor Vehicles						
KAV 524E	APRIL 2006	MANGU HIGH GROUND	3,942,100	00	00	1,350,000
KAV 514E	APRIL 2006	MANGU HIGH GROUND	2,612,906	00	00	800,000
KCE 185D	AUGUST 2014	MANGU HIGH GROUND	14,100,000	00	00	7,000,000
KDG 595C	AUGUST 2022	MANGU HIGH GROUND	6,700,000	00	00	6,000,000
KDR 748P	JUNE 2025	MANGU HIGH GROUND	5,200,000	00	00	5,200,000
TRACTOR						250,000.00

MANG'U HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2025**

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