REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

GITWE GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2024

KIAMBU COUNTY

HARAMBEE

GITWE GIRLS SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2024

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 current 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, Githunguri Sub-County.

The school was registered in 10/2007 under registration number GP/A/4892/07 and is currently categorized as an Extra county public school established, owned or operated by the Government.

The school is a boarding school and had 1050 number of students as at *30th June 2024.* It has 4 streams and 38 teachers of which 4 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	ENG.BARBANAS MUIGAI	Chairman	31/5/2022
2	MRS.BEATRICE WAIRAGU	Secretary - Principal	31/5/2022
3	MR.MICHAEL MUTHEKI	Member	31/5/2022
4	DR.PAUL WANJOHI	Member	31/5/2022
5	MS ROSEMARY NGUGI	Member	31/5/2022
6	MS CHRISTINE KARIUKI	Member	31/5/2022
7	MR.RICHARD KIARIE	Member	31/5/2022
8	MR.PATRICK KANINI	Member	31/5/2022
9	PRO.REBECCA WAIHENYA	Member – Rep CEB	31/5/2022
10	MR.STEPHEN KABERA	Member Rep Teachers	31/5/2022
11	MR,DAVID NGANGA	Sponsor	31/5/2022
12	MS.ZIPPORAH MWENDE	Sponsor	31/5/2022
13	MS.PHYLIS WARUI	Member - Community	31/5/2022
14	MR.DOUGLAS ASANYO	Member Special Needs	31/5/2022
15	EUNICE WAMBUI	Rep Students	31/5/2022

The functions of the School Board of Management are to:

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

(c) **Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Barnabas Muigai 2.Beatrice Wairagu 3.David Nganga 4.Pro.Rebecca Waihenya 5.Michael Mutheki	Chairman Secretary Member Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1
2	Audit Committee	Paul Wanjohi David Nganga Rosemary Ngugi	Chairperson Member Member	1 out of 1 1 out of 1 1 out of 1
3	Finance,procurement and general purposes Committee	1.Barnabas Muigai 2.Michael Mutheki 3.Beatrice Wairagu 4.Douglas Asanyo	Chairperson Member Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1

4	Academic Committee	1.Pro.Rebecca Waihenya	Chairperson	2 out of 2
		2.Zippporah Mwende	Member	2 out of 2
		3.Stephen Kabera	Member	2 out of 2
		4.Paul Wanjohi	Member	2 out of 2
5	Development Committee	1.Michael Mutheki	Chairperson	1 out of 1
		2.Barnabas Muigai	Member	1 out of 1
		3.Patrick Kanini	Member	1 out of 1
		4.Richard Kiarie	Member	1 out of 1
6	Discipline ,Human rights & welfare Committee	1.David Nganga	Chairperson	2 out of 2
		2.Agnes Wandeto	Deputy Principal	2 out of 2
		3.Barnabas Muigai	Member	2 out of 2
		4.Stephen Kabera	Member	2 out of 2
		5.Zipporah Mwende	Member	2 out of 2

(d) School operation Management

For the financial year ended 30th June 2024 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	MRS.BEATRICE WAIRAGU	TSC No.312480
2	Deputy Principal	MRS.AGNES WANDETO	TSC No.351448
3	School Bursar	KAGO BEATRICE	ICPAK No. 33880
4	Other (specify)		

(e) Schools contacts

Post Office Box: 90
Telephone: 0706515199
E-mail: giwegirlssecondaryschool@gmail.com

(f) School Bankers

Provide details of the school bankers.

Name of Bank: KCB BANK
Branch GITHUNGURI
Postal Address. 1 00216 KARURI

(g) Independent Auditors

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

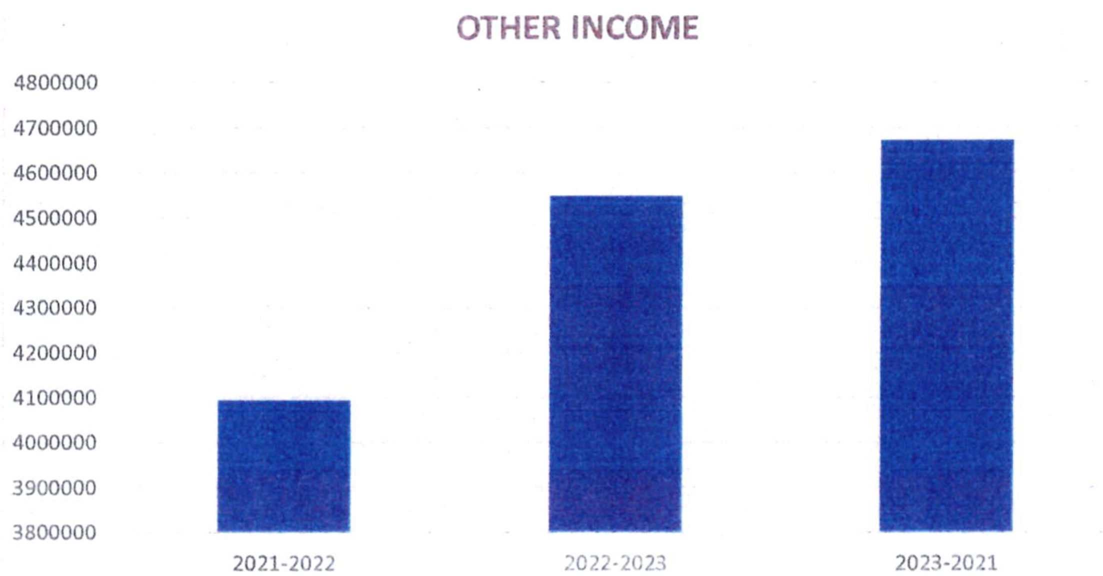
3.Summary Report of Performance of The School

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

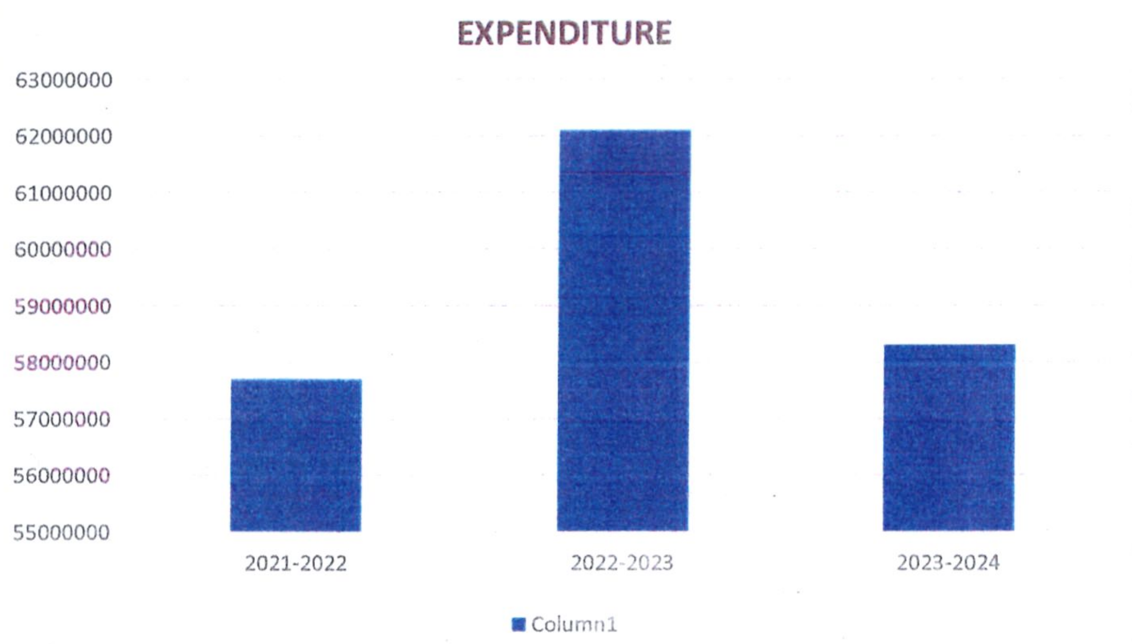
a) Financial performance:

Details	*2023-2024*	*2022-2023*	*2021-2022*
Surplus/Deficit	*6,822,853.00*	*(1,667,450.00)*	*9,829,346.00*

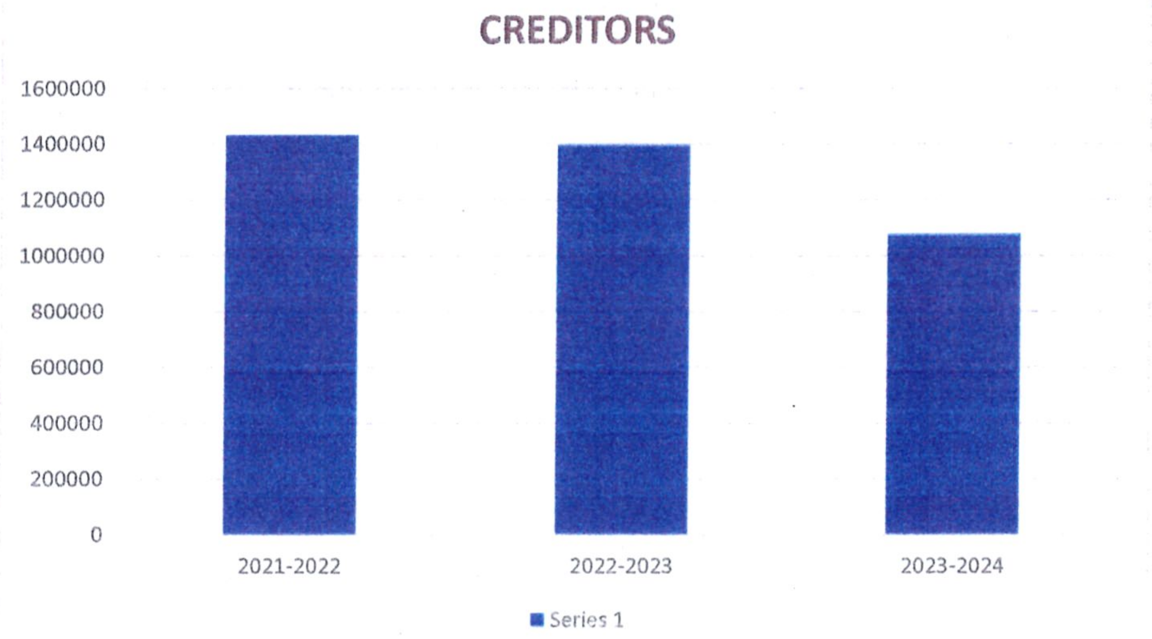
Capitation	*2023-2024*	*2022-2023*	*2021-2022*
Tuition Account	*2,350,070.00*	*2,156,667.00*	*2,788,158.00*
Operation Account	*7,676,903.00*	*6,449,567.00*	*7,999,985.00*
TOTAL	*10,026,973.00*	*8,606,234.00*	*10,788,143.00*



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



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



b) Teacher Student ratio:

	2023-2024	2022-2023	2021-2022
Teachers to students ratio	1:25	1:27	1:25
Teachers recruited/posted	0	0	2
Teachers transferred	0	0	1
Teachers employed by TSC	34	34	34
Teachers employed by BOM	4	5	5

TEACHERS PER SUBJECT

SUBJECT	NO. OF TEACHERS
English	5
Kiswahili	5
Maths	10
Chemistry	7
Physcis	3
Biology	7

CRE	7
History	6
Geography	5
Agriculture	2
Business Studies	4
Computer Studies	1
Homescience	2
French	1

c) Mean score in the *2023* KCSE:

YEAR	2024	2023	2022
MSS	6.08	5.28	5.2445
Set Score	7.8	7.7	7.7
Deviation	-1.72	-2.42	-2.45
Number transitioned to university	57	79	41

d) Number of Candidates in the 2023 KCSE:

	2024	2023	2022
No.of candidates	188	195	229

e) Capacity of the school:

FACILITY	CAPACITY
Dormitory	870
Dinning hall	870
Laboratories	150
Toilets	70
Bathrooms	54
Homescience rooms	2

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Renovation of CBC classrooms	Infrastructure	Complete	583,850.00	583,850.00	Complete
Installation of CCTV cameras	Infrastructure	Complete	297,785.00	297,785.00	Compete

....

School Principal

GITWE GIRLS SEC. SCHOOL
PRINCIPAL
14 APR 2026
Sign:..............
P.O. Box 98 - 00216, GITHUNGURI

4.Statement of School Management Responsibility

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

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

The Board of Management of *GITWE GIRLS* 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, 2024, and of the school's financial position as at that date.

....

Name: BARNABAS NJUGUNA MUIGAI

Designation: Chairman, School Board of Management

Date: 14/04/2026

....

Name: TM WANJIRU MATU

Designation: School Principal & Secretary to Board of Management

Date: 14/04/2026.

GITWE GIRLS SEC. SCHOOL
PRINCIPAL
14 APR 2026
Sign:......................
P.O. Box 98 - 00216, GITHUNGURI

....

Name: KAGO BEATRICE W.

Designation: Bursar/ Finance Officer

Date: 14/4/26

REPUBLIC OF KENYA

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

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON GITWE GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – 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 financial statements of Gitwe Girls Secondary School set out on pages 1 to 18, which comprise of the statement of assets and liabilities as at

30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Gitwe Girls Secondary School as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.10,557,481 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivables balance of Kshs.4,702,101 or 45% which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the recoverability of the accounts receivables balance of Kshs.4,702,101 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final budgeted receipts and actual on a comparable basis of Kshs.84,978,050 and Kshs.67,975,048 respectively, resulting in an underfunding of Kshs.17,003,002 or 20% of the budget. However, the School spent an amount of Kshs.58,317,063 against actual receipts amounting to Kshs.67,975,048, resulting in an underutilization of Kshs.9,657985 or 14% of actual receipts.

The underfunding and underutilization affected the planned activities and may have impacted negatively on delivery of services to the public

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of the matter 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 Information

The Management is responsible for the Other Information set out on page iii to xiii which comprise of Key School Information and Management, The 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. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 8 December, 2025 instead of the statutory deadline of

30 September, 2024. This was contrary Section 81 of the Public Finance Management Act, 2012 which requires entities to submit financial statements to the Auditor-General not later than three months after the end of each financial year.

In the circumstances, Management was in breach of the law

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

The statement of receipts and payments reflects boarding and School fund payments of Kshs.46,090,003 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.670,380 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.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.670,380 could not be confirmed.

3. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.3,714,200 as disclosed under Note 3 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,552,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the full amount was not transferred to the infrastructure bank account within fifteen (15) days from receipt.

This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

4. Under Funding of Capitation Grants

The statement of financial performance reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,350,070 and Kshs.7,676,903 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, National Education Management Information System (NEMIS) reported enrolment of an average total number of nine hundred and forty-nine (949) students, while enrolment records provided by the School indicated an average total number of one thousand two hundred and seventy-eight (1278) students resulting in an unexplained variance of three hundred and twenty-nine (329) students. As a result of the variances, the School was under-funded by an amount of Kshs.170,952.

In the circumstances, the underfunding of the School may have affected service delivery to the public.

5. Un-Balanced Budget

The statement of comparison of budget and actual amounts reflects a receipts budget of Kshs.84,978,050 and a corresponding expenditure budget of Kshs.77,304,085 resulting to an unexplained variance of Kshs.7,673,965. This is contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that budget revenue and expenditure appropriations shall be balanced.

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

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 a Disaster Recovery Plan

The School had not established disaster recovery and business continuity plans to support the identification, prevention, and mitigation of potential risks and disruptions. As a result, the institution lacks a structured framework to ensure continuity of operations in the event of disasters or unforeseen interruptions, thereby exposing it to operational and financial risks.

In the circumstances, effectiveness of internal controls on existence of data confidentiality, integrity and availability could not be confirmed.

2. Lack of an Internal Audit Function

Audit revealed that the School had not established an internal audit function to the provisions of Section 73(1) and (5) of the Public Finance Management Act, 2012 which requires all government entities to make appropriate arrangements for internal audit function. As such the School did not benefit from the assurance and advisory services from the Internal Audit Function as well as oversight from the Audit Committee.

In the circumstances, the effectiveness of an oversight mechanisms could not be confirmed.

3. Lack of adequate Facilities in the Institution

During the year under review it was noted that, the School, which operates as a boarding institution, is not in compliance with the space requirements stipulated under Regulation 83(k) of the Basic Education (National) Regulations, 2015. Physical inspection of the dormitory facilities revealed significant congestion, with spacing between beds falling below the prescribed minimum of 1.2 metres and corridor widths measuring less than the required two (2) metres. The overcrowded conditions compromise students' comfort and well-being, heighten safety risks, and impede ease of movement within the dormitories.

In the circumstances, the effectiveness of the internal controls surrounding proper management of the students could not be confirmed.

4.0 Weaknesses in Management of Asset

4.1 Unsupported Fixed Assets Balance

Annex 2 to the financial statements reflects a summary of the fixed assets register with a balance of Kshs.278,396,735. Review of the asset register and supporting records revealed that the balance comprises buildings and structures, motor vehicles, office furniture and fittings, Information, communication and technology (ICT) equipment, other machinery and equipment, and intangible assets. However, these assets had not been subjected to depreciation, and no commensurate depreciation charges have been applied over the years to reflect their usage. In addition, no valuation of the School land had been undertaken, and no valuation report was availed for audit review to support the reported balances.

4.2 Unsupported Biological Assets

Disclosure Note 17 to the financial statements discloses biological assets valued at Kshs.742,500 which is made up of trees and tea plantation. However, during a verification of the assets the management did not present relevant records including biological assets valuation report, biological assets register, Birth certificates for new born, death certificates and any asset movement records

4.3 Lack of Land Ownership Documents

Annex 2 to the financial statements reflects a summary of the fixed assets register with assets valued at Kshs.278,396,735 which includes land valued at Kshs.121,000000.

However, the School had not obtained title deeds for the three (3) out of four (4) parcels of land and, as such, no ownership documents were provided for audit review.

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

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

Responsibilities of Management and those Charged with Governance

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

25 May, 2026

6.Statement of Receipts and Payments For the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024 Kshs	2022-2023 Kshs
Receipts			
Government grants for tuition	1	2,350,070.00	2,156,667.00
Government grants for operations	2	7,676,903.00	6,449,567.00
Government Grants for infrastructure	3	3,714,200.00	3,219,000.00
School fund income- parents' contributions	4	46,725,998.00	44,053,933.00
School fund -other receipts	5	4,672,745.00	4,549,962.00
Total Receipts		**65,139,916.00**	**60,429,129.00**
Payments			
Tuition	6	2,672,123.00	1,892,058.00
Operations	7	8,673,302.00	6,128,683.00
Infrastructure	8	881,635.00	2,898,534.00
Boarding and school fund	9	46,090,003.00	51,177,304.00
Total Payments		**58,317,063.00**	**62,096,579.00**
Surplus/Deficit		**6,822,853.00**	**(1,667,450.00)**

The school financial statements were approved on 14/4/ 2026 and signed by:

....	....	....
Name: BARNABAS NJUKUXIA MUIGAI	**Name:** MILLICENT MATU.	**Name:** KAGO BEATRICE W
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 14/04/2026	**Date:** 14/04/2026.	**Date:** 14/4/2026

GITWE GIRLS SEC. SCHOOL
PRINCIPAL
14 APR 2026
Sign..........
P.O. Box 90 - 00216, GITHUNGURI

7.Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	13,065,327.00	9,193,977.00
Cash balances	11	1,590.00	161.00
Short term investments	12	-	-
Total cash and cash equivalent		**13,066,917.00**	**9,194,138.00**
Accounts receivables	13	10,557,481.00	7,926,877.00
Total financial assets		**23,624,398.00**	**17,121,015.00**
Financial liabilities			
Accounts payables	14	1,076,506.00	1,395,976.00
Net financial assets		**22,547,892.00**	**15,725,039.00**
Represented by			
Accumulated fund b/fwd	15	15,725,039.00	17,392,489.00
Surplus/deficit for the year		6,822,853.00	(1,667,450.00)
Net financial position		**22,547,892.00**	**15,725,039.00**

The school's financial statements were approved on 14/4/ 2026 and signed by:

....	....	....
Name: BARNABAS NGUGUU MULATI	**Name:** DORIS LIGESA MATU	**Name:** KAGO BEATRICE W.
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 14/04/2026.	**Date:** 14/4/26	**Date:** 14/4/26

GITWE GIRLS SEC. SCHOOL
PRINCIPAL
14 APR 2026
Sign...............
P.O. Box 98 - 00216, GITHUNGURI

8.Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,350,070.00	2,156,667.00
Government grants for operations		7,676,903.00	6,449,567.00
Government grants for infrastructure		3,714,200.00	3,219,000.00
School fund income- parents contributions/ fees		44,140,286.00	42,126,918.00
School fund -Other income		4,672,745.00	4,549,962.00
Total receipts		**62,554,204.00**	**58,502,114.00**
Payments			
Cash outflows for tuition		2,672,123.00	1,892,058.00
Cash outflows for operations		8,673,302.00	6,128,683.00
Cash outflows Boarding/lunch and school fund payments		46,454,365.00	51,614,886.00
Cash outflow for infrastrucure		881,635.00	2,898,534.00
Total payments		**58,681,425.00**	**62,534,161.00**
Net cash inflow/outflow from operating activities		3,872,779.00	**4,032,047.00**
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets			
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		3,872,779.00	(4,032,047.00)
Cash and cash equivalent at beginning of the FY		9,194,138.00	13,226,185.00
Cash and cash equivalent at end of the FY		**13,066,917.00**	**9,194,138.00**

The school's financial statements were approved on 14/4/ 2026 and signed by:

....	....	....
Name: BARNABAS NJUKUNA MUKUNI	**Name:** MILLICENT MATU	**Name:** KAGO BEATRICE W.
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 14/4/2026	**Date:** 14/4/2026	**Date:** 14/4/26

GITWE GIRLS SEC. SCHOOL
PRINCIPAL
14 APR 2026
Sign:..................
P.O. Box 90 - 00216, GITHUNGURI

9.Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

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	4,351,200.00	0.00	4,351,200.00	2,350,070.00	54 %
(2) Capitation Grant on Operations					
OTHERS(LTT,EWC.PE & ADM)	8,460,000.00	0.00	8,460,000.00	6,151,013.00	72.70 %
Medical	2,100,000.00	0.00	2,100,000.00	766,500.00	36.5 %
Activity	1,837,500.00	0.00	1,837,500.00	759,390.00	41 %
3) FDSE for infrastructure					
Maintenance &Improvement MoE	5,250,000.00	0.00	5,250,000.00	3,714,200.00	41 %
M&I parents' contribution	10,167,000.00	0.00	10,167,000.00	2,835,132.00	27.88 %
(4) Fees Charged on Parents					
OTHERS	13,545,000.00	0.00	13,545,000.00	12,978,179.00	95.81 %
Repairs And Maintenance	2,100,000.00	0.00	2,100,000.00	2,405,535.00	114.5 %
Activity	262,500.00	0.00	262,500.00	232,272.00	88.48 %
Fee On Boarding Equipment and Stores	26,654,250.00	0.00	26,654,250.00	31,110,012.00	116.64 %

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) Miscellenous Income					
Rent income	75,600.00	0.00	75,600.00	65,100.00	86 %
Income From Farming Activities	400,0000.00	0.00	400,000.00	239,513.00	59%
BOM Teachers	1,575,000.00	0.00	1,575,000.00	1,445,000.00	91.74 %
Income From Tenders	200,000.00	0.00	200,000.00	106,000.00	53 %
Income for pa fund	3,350,000.00	0.00	3,350,000.00	2,817,132.00	
Total Income	**84,978,050.00**	**0.00**	**84,978,050.00**	**67,975,048.00**	79 %
(6) Expenditure For Tuition					
Teaching / Learning Materials	4,351.200.00	0.00	4,351,200.00	2,671,558.00	61 %
Bank Charges	0.00	0.00	0.00	565.00	0 %
(7) Expenditure For Operations					
OTHERS (LTT.EWC,ADM & PE)	8,460,000.00	0.00	8,460,000.00	6,266,314.00	74 %
Repairs, Maintenance & Improvements	5,250,000.00	0.00	5,250,000.00	748,809.00	14.26 %
Medical & Insurance	2,100,000.00	0.00	2,100,000.00	488,223.00	23 %
Activity Expenses	1,837,500.00	0.00	1,837,500.00	1,166,320.00	63 %
Bank Charges	0.00	0.00	0.00	3,636.00	0 %
(8) Expenditure For infrastructure					
Renovation of CBC Classrooms	583,850.00	0.00	583,850.00	583,850.00	0 %
Installation of CCTV camersa	297,785.00	0.00	297,785.00	297,785.00	0 %

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	b	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(9) Expenditure For school fund/lunch/boarding					
OTHERS (LTT,EWC,ADM & PE)	13,545,000.00	0.00	13,545,000.00	13,320,631.00	98.34 %
Repairs, Maintenance and Improvements	2,100,000.00	0.00	2,100,000.00	3,776,190.00	179.81 %
Activity	262,500.00	0.00	262,500.00	83,780.00	31.91 %
Boarding Equipment and Stores	26,654,250.00	0.00	26,654,250.00	27,408,700.00	101.95 %
Expenditure For farming Activity	150,000.00	0.00	150,000.00	57,752.00	38.50 %
Motor vehicle	0.00	0.00	0.00	37,700.00	0 %
PA Teachers	1,545,000.00	0.00	1,545,000.00	702,000.00	60.58 %
Development	10,167,000.00	0.00	10,167,000.00	700,000.00	6.88 %
Bank Charges (savings A/c)	0.00	0.00	0.00	3,250.00	0 %
Totals	**77,304,085.00**	**0.00**	**77,304,085.00**	**58,317,063.00**	**75 %**

10.Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. **Statement of compliance and basis of preparation**

   The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

   This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

   The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school,* and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. **Recognition of receipts and payments**

   The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school.* In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school.* Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. **In-kind contributions**

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

4. **Cash and cash equivalents**

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

11.Notes To The Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching / Learning Materials	2,350,070.00	2,156,667.25
Total	**2,350,070.00**	**2,156,667.25**

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Others	6,151,013.00	5,803,055.00
Medical & Insurance	766,500.00	166,700.00
Activity	759,390.00	479,812.00
Total	**7,676,903.00**	**6,449,567.00**

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	3,714,200.00	3,219,000.00
Total	**3,714,200.00**	**3,219,000.00**

4 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
OTHERS (LTT,EWC,ADM & PE)	12,978,179.00	11,313,670.00
Bording equipment and stores	31,110,012.00	29,977,972.80
Repairs and maintenance	2,405,535.00	2,596,465.00
Activity	232,272.00	165,825.00
Total as per receipts and payment	**46,725,998.00**	**44,053,932.80**

5 Miscellaneous Incomes

Description	2023-2024	2022-2023
	Kshs	Kshs
Income from farming activities	239,513.00	313,621.20
Rent	65,100.00	15,800.00
pa fund	2,817,132.00	4,033,541.00
Income from Bus and ground Hire	0.00	106,000.00
BOM teachers	1,445,000.00	0.00
TENDERS	106,000.00	81,000.00
Total	**4,672,745.00**	**4,549,962.20**

Notes to the Financial Statements (continued)

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching / Learning Materials	2,671,558.00	1,888,566.00
Bank Charges	565.00	3,492.00
Total	**2,672,123.00**	**1,892,058.00**

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Others(LTT,EWC.ADM & PE)	6,266,314.00	4,353,021.00
Activity Expenses	1,166,320.00	874,076 .00
Insurance & Medical	488,223.00	901,586.00
Bank Charges	3,636.00	0.00
RMI	748,809.00	
Total	**8,673,302.00**	**6,128,683.00**

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Repair and maintenance	881,635.00	2,500,000.00
Electric fence	0.00	395,000.00
Bank Charges	0.00	3,534.00
Total	**881,635.00**	**2,898,534.00**

9 Boarding And School Fund

Description	2023-2024	2022-2023
	Kshs	Kshs
Other voteheads	13,320,631.00	16,597,624.00
Boarding equipment and stores	27,408,700.00	32,891,620.00
Repairs and maintenance	3,776,190.00	710,060.00
Activity	83,780.00	710,205.00
School Farm	57,752.00	40,960.00
PA Funds	700,000.00	
bank charges saving a/c (farm)	3,250.00	4,788.00
house rent	0.00	6,600.00
BOM teachers	702,000.00	0.00
motor vehicle	37,700.00	41,500.00
Gratuity	0.00	171,365.00
Bank charges motor vehicle	0.00	2,582.00
TOTAL	**46,090,003.00**	**51,177,304.00**

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	ACTIVE	1105017222	278,287.00	600,340.15
Operations Account	ACTIVE	1105030954	2,810,034.00	1,644,223.40
School Fund Account/Boarding	ACTIVE	1105032523	6,656,891.00	4,758,856.52
Savings Accounts	ACTIVE	1104569310	1,279,972.00	783,079.05
School van Account	ACTIVE	1133781284	78,576.00	116,276.00
Infrastructural Account	ACTIVE	1268171832	1,961,567.00	1,291,202.00
Total			**13,065,327.00**	**9,193,977.12**

11 Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	1,590.00	161.00
Total	**1,590.00**	**161.00**

12 Short Term Investments

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative Shares	Xxx	Xxx
Treasury Bills	Xxx	Xxx
Fixed Deposit accounts	Xxx	Xxx
Other Investments	Xxx	Xxx
Total	**Xxx**	**Xxx**

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	10,557,481.00	7,838,927.00
Other Non-Fees Receivables	-	87,950.00
Total	**10,557,481.00**	**7,926,877.00**

13 b Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		*Kshs*	
	Current FY	**% of the total**	**Comparative FY**	**% of the total**
Less than 1 year	4,420,129.00	41%	3,136,826.00	40%
Between 1- 2 years	1,435,251.00	13%	1,472,979.00	18%
Between 2-3 years	1,472,979.00	13%	359,456.00	4%
Over 3 years	3,229,122.00	30%	2,869,666.00	36%
Total (should tie to note 13 a)	**10,557,481.00**	**97%**	**7,838,927.00**	**98%**

14 Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors	-	-
Prepaid Fees	1,076,506.00	1,395,976.00
Total	**1,076,506.00**	**1,395,976.00**

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2023-2024 Kshs		2022-2023 Kshs	
	Current FY	**% of the total**	**Comparative FY**	**% of the total**
Less than 1 year	941,431.00	87%	808,589	57%
Between 1- 2 years	15,820.00	1%	64,721	4%
Between 2-3 years	64,721.00	6%	125,020	8%
Over 3 years	54,534.00	5%	397,646.00	28%
Total (should tie to note 14)	**1,076,506.00**	**99%**	**1,395,976.00**	**97%**

15 Fund Balance Brought Forward

Description	2023-2024 Kshs	2022-2023 Kshs
Bank Balances	9,193,977.00	13,224,458.00
Cash Balances	161.00	1,727.00
Receivables	7,926,877.00	5,598,640.00
Payables	(1,395,976.00)	(1,432,336.00)
Total	**15,725,039.00**	**17,392,489.00**

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	2023-2024	2022-2023
	Kshs	Kshs
Bank Loans	Xxx	Xxx
Outstanding Leases	Xxx	Xxx
Hire Purchase	Xxx	Xxx
Gratuity And Leave Provision	Xxx	Xxx
Others (specify)	Xxx	Xxx
Total	**Xxx**	**Xxx**

17 Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Goats	2	60,000.00	0.00
Trees	950	370,000.00	350,000.00
Tea Plantation	3125	312,500.00	312,500.00
Total	**4077**	**742,500.00**	**662,500.00**

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	xxx	Xxx
Borrowings during the year	xxx	Xxx
Repayments during the year	(xxx)	(xxx)
Balance at the end of the year	**xxx**	**Xxx**

Other important disclosure notes

19 Stock/ Inventory

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	824,640.00	845,285.00
Lab consumables	1,067,605.00	832,327.00
Medication	29,463.00	24,300.00
Total	**1,921,708.00**	**1,701,912.00**

20 Progress on Follow up Of Auditor Recommendations

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

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

Sign and Date
Principal

GITWE GIRLS SEC. SCHOOL
PRINCIPAL
14 APR 2026
Sign:
P.O. Box 90 - 00216, GITHUNGURI

12.Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land	121,000,000.00	0.00	0.00	121,000,000.00
Buildings And Structures	134,466,000.00	0.00	0.00	134,466,000.00
Motor Vehicles	2,565,000.00	0.00	0.00	2,565,000.00
Office Equipment, Furniture and Fittings	8,500,000.00	0.00	0.00	8,500,000.00
Textbooks	4,000,000.00	0.00	0.00	4,000,000.00
ICT Equipment	2,543,200.00	505,135.00	0.00	3,048,335.00
Other Machinery And Equipment	2,917,400.00	0.00	0.00	2,917,400.00
Intangible Assets- Soft Ware	1,900,000.00	0.00	0.00	1,900,000.00
Total	277,891,600.00	505,135.00	0.00	278,396,735.00