

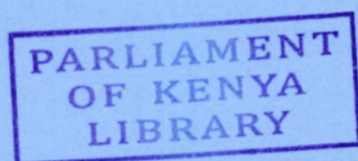
REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

SOKOKE BOYS HIGH SCHOOL

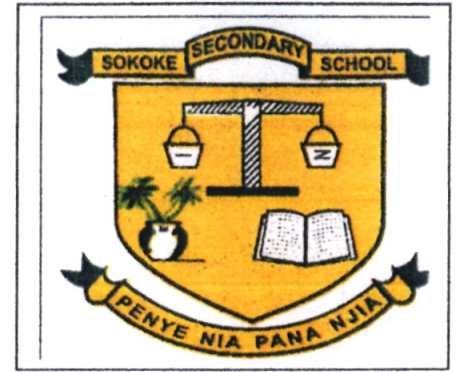
FOR THE YEAR ENDED

30 JUNE, 2025

KILIFI COUNTY



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 25 JUN 2026	DAY: Thur
TABLED BY:	Hon. Owen Baya / MP Dep. Leader of the Majority Party.
CLERK AT THE TABLE:	M. Chuma



SOKOIKE BOYS 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

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 Kilifi County, Ganze Sub-County.

The school was registered in 13/03/2019 under registration number 0353000/0139 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 336 number of students as at 30th June 2025. It has 3 streams and 20 teachers of which 1 teacher is 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	Rev.Samson Charo Mangi	Chairman	8/7/2022
2	Timothy Malili	Secretary - Principal	9/7/2023
3	Fredrick Kathithe	Member	8/7/2022
4	Gabriel Dyeka Mlewa	Member	8/7/2022
5	Chrsrine K Kazungu	Member	8/7/2022
6	George M Baya	Member	8/7/2022
7	Julius Ngolo	Member	8/7/2022
8	Patience M Jefwa	Member – Rep CEB	8/7/2022
9	Benard Muramba	Member Rep Teachers	8/7/2022
10	Fides Shindi Julius	3 Members - Sponsor	8/7/2022
11	Jacob K Khonde	Member - Community	8/7/2022
12	Peterson S Kenga	Member Special Needs	8/7/2022
13	Makuto Mwambire	Rep Students (current)	8/7/2024

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.Rev.Samson Charo Mangi 2.Fides Shindi Julius 3.Fredrick Ngumbao Kathithe	Chairperson Member Member	2 /3
2	Audit Committee	1.Jacob K Khonde 2.George M Baya 3.Peterson S Kenga 4.Fides Shindi Julius	Chairperson Member Member Member	1/2
3	Finance,procurement and general purposes Committee	1.Jacob K Khonde 2.George M Baya 3.Peterson S Kenga 4.Fides Shindi Julius	Chairperson Member Member Member	2/2

4	Development Committee	1.Fides Shindi Julius	Chairperson	2/2
		2.Julius Ngolo	Member	
		3.Fredrick Ngumbao	Member	
5	Discipline and welfare Committee	1.Gabriel D Mlewa	Chairperson	0
		2.Christine Kazungu	Member	
		3.Fredrick Ngumbao	Member	
		4.Patience Jefwa	Member	
		5.Peterson S Kenga	Member	
		6.Benard Muramba	Member	

(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	Timothy Malili	TSC No.352683
2	Deputy Principal	Benard K Muramba	TSC No.337384
3	School Bursar	Norris Wanje Kaingu	ID No.27465757

(e) Schools contacts

Post Office Box: 237-80108
 Telephone: 0792766022
 E-mail: sokokeboys1@gmail.com

(f) School Bankers

The School operated 13 number of bank accounts in the following banks;-

Name of Bank:	Kenya Commercial Bank
Branch	Kilifi.Branch
Postal Address.	528-80108
Main Account	1102266744
Operation Account	1102273848
Tuition Account	1102273090
C.D.F Account	1136687157
Bus Fund	1132935296
Caution Money	1101553456
P.A	1101524235
School Farm	1101524138
Salaries Account	1169856144
Infrastructure Account	1174820284
Name of Bank	Equity Bank
Branch	Kilifi Branch
Postal Address	
Development Account	1060294152340
Computer Account	1060297237820
Bursary Account	1060196597829
M-PESA paybill No.522123,Account No.66357k linked to 1102266744 Kcb	
M-PESA paybill No.522533,Account No.7896678 linked to 1132935296 Kcb	
M-PESA paybill No.522533,Account No.7896686 linked to 1101524138 Kcb	
M-PESA paybill No.247247,Account No.841900 linked to 1060294152340 –Equity bank.	

(g) Independent Auditors

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

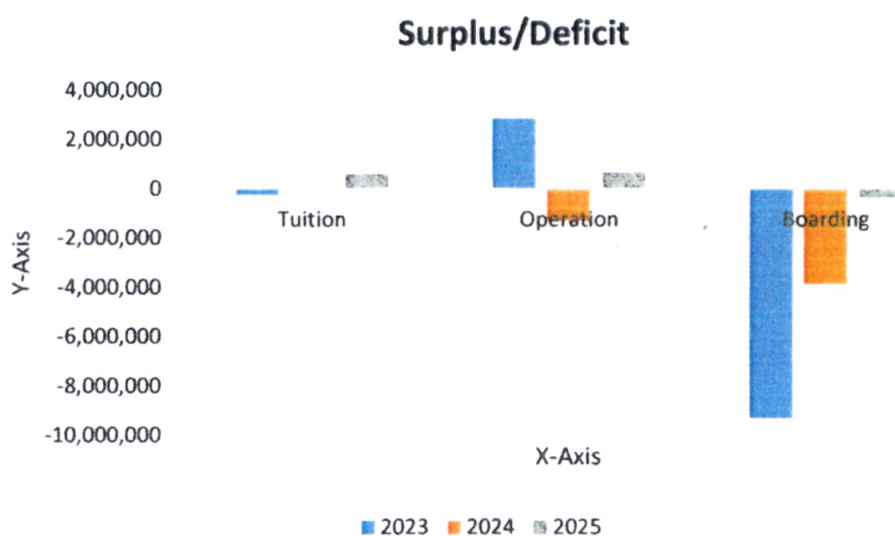
3. Summary Report of Performance of The School

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

a) Financial performance:

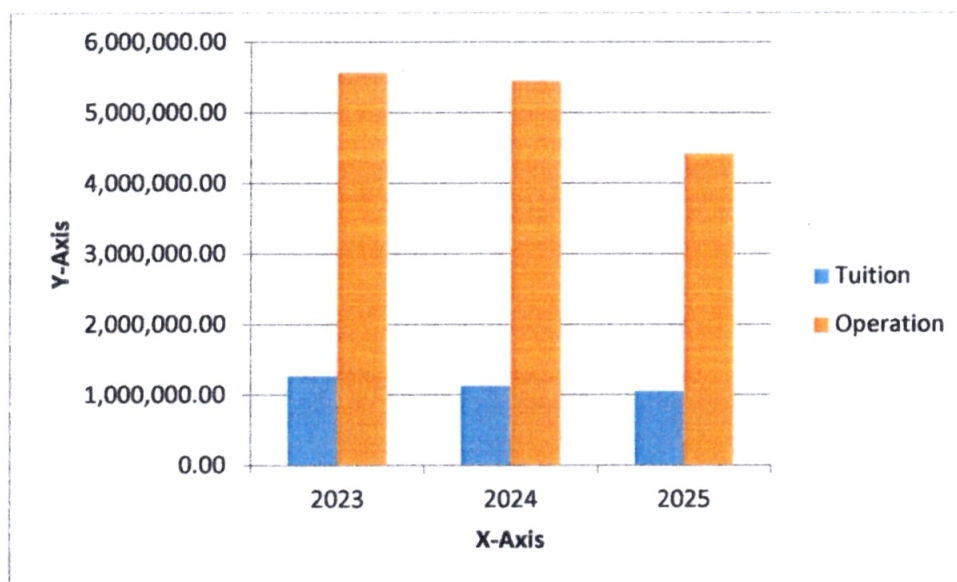
- Surplus/ deficit for the year and a comparison of the same for the last three years

Accounts	Tuition	Operation	Boarding
2023	(245,186)	2834834	(9,300,630)
2024	19,910	(1285349)	(3,852,419)
2025	589,520	647044	(368,839)



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

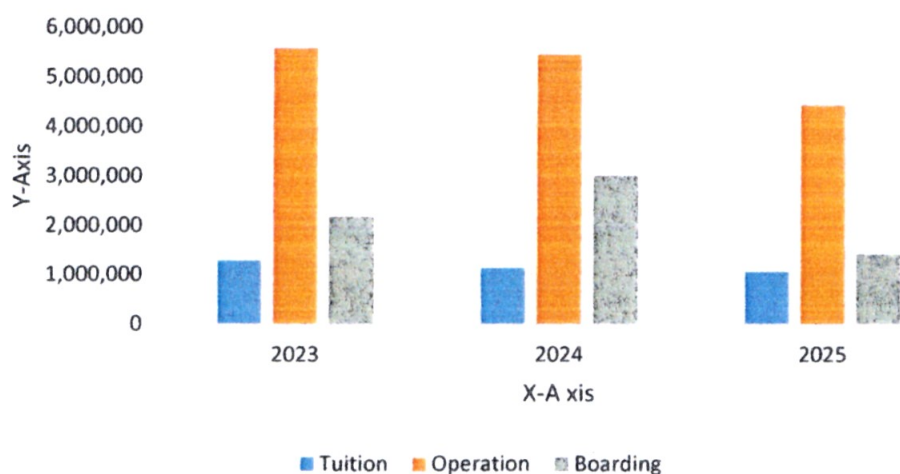
Accounts	Tuition	Operation
2023	1,271,627	5,571,937
2024	1,121,575	5,449,007
2025	1,045,904	4,421,250



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

Account	2023	2024	2025
Tuition	1,271,627	1,121,575	1,045,904
Operation	5,571,937	5,449,007	4,421,250.
Boarding	2,163,671	2,989,597	1,410,575

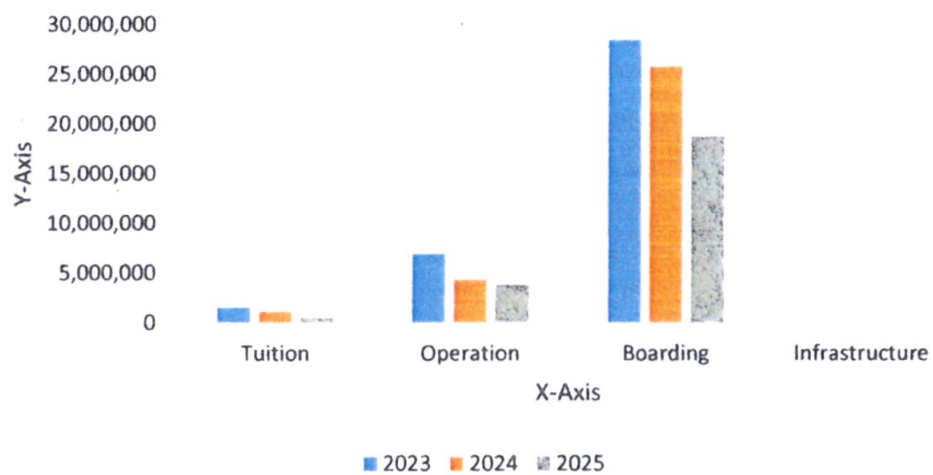
Three year growth of other incomes



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

Account	2023	2024	2025
Tuition	1,517,313	1,101,665	456,386
Operation	6,856,787	4,267,281	3,774,208
Boarding	28,409,752	25,737,522	18,639,174
Infrastructure	0		1,748

Three year overvie of Growth in Expenditure



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

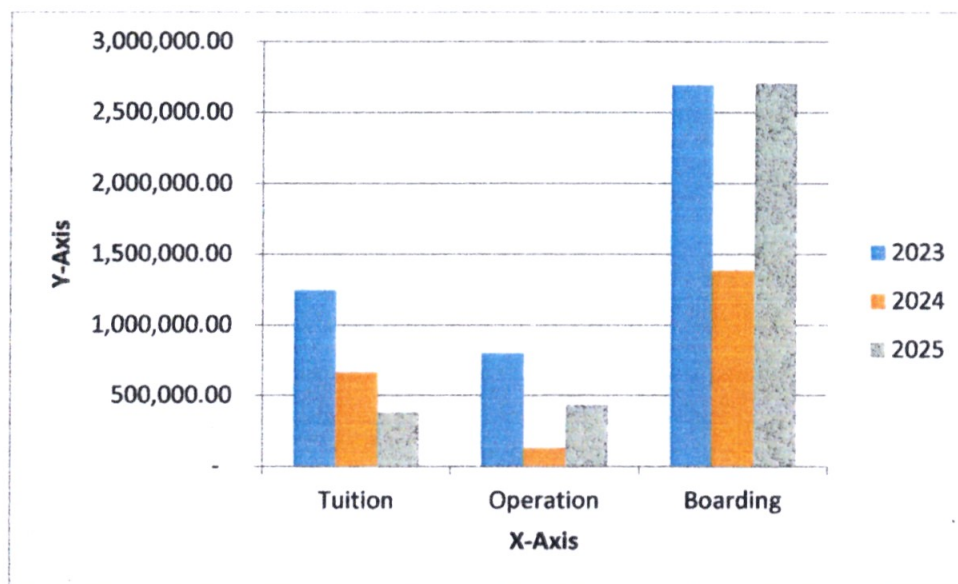
Movement of debtors

Account	2023	2024	2025
Boarding	30,723,783	38,989,184	39,966,888



Movement of Creditors over the three years

Account	2023	2024	2025
Tuition	1,244,359.00	662,847.00	377,134.00
Operation	800,996.50	130,700.00	430,380.00
Boarding	2,692,690	1,384,810	2,704,650



b) Teacher Student ratio:

Category	Current Status	Recommended Number	Gaps
Teachers/Student ratio	20	25	5
No.of teachers recruited and posted to the school within the year	2	5	5
Number of teachers transferred within the year	4	-	-
TSC Teachers	19	25	5
Number of Teachers Employed by BoM	1	-	-

c) The mean score in the 2022-2024 KCSE:

Year	2022	2023	2024
Mean Score	4.8667 C-	3.91 D+	5.00 C-
No.of students transitioe to higher Learning	27	23	55
School Target	6.0 C	6.0 C	6.0 C
Comment	Target not met	Target not met	Target not met

d) Number of Candidates in the 2023-2025 KCSE:

(

Year	2023	2024	2025
No.of Candidates	100	97	88

e) The capacity of the school:

Facility	Capacity	Current Numbers
Dormitories 3No.	96	288
Dormitories 2No.	91	182
Classroom 14No.	40	470
Toilets 44No.	30	470
Dining Hall	01	470
Laboratory	01	470

ch

School Principal



4. Statement of School Management Responsibility

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

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

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

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



.....
Name: JACOB KHONDE

Designation: Chairman, School Board of Management

Date: 13/4/26



.....
Name: TIMOTHY MAELI

Designation: School Principal & Secretary to Board of Management

Date: 13/4/26





.....
Name: NORRIS WANJIKU KAINU

Designation: Bursar/ Finance Officer

Date: 10/04/2026

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON SOKOKE BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2025

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 Sokoke Boys High School set out on pages 1 to 18, which comprise of the statement of assets and liabilities as at 30 June, 2025, and the statement of financial performance, statement of statement of cash flows and statement of budgeted versus actual amounts for the year

then ended and 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 Sokoke Boys 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, (Cap. 211) 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. Variances in the Financial Statements

The following variances in the financial statements were noted;

- i) The statement of financial performance reflects miscellaneous income of Kshs.1,410,575 which was not included in the approved budget estimates for 2024/2025 financial year.
- ii) The statement of financial assets and financial liabilities reflects net financial assets of Kshs.26,661,544 while the movements in the accumulated fund reflects net assets of Kshs.24,287,521 resulting to unexplained variance of Kshs.2,374,023.
- iii) The statement of cashflows reflects total receipts of Kshs.19,630,116 while the statement of budgeted versus actual reflects Kshs.21,898,275 resulting to unexplained variance of Kshs.2,268,159.
- iv) The statement of cashflows reflects total payments of Kshs.22,746,457 while the statement of budgeted versus actual reflects Kshs.20,767,099 resulting to unexplained variance of Kshs.1,979,358.

In the circumstances, the accuracy and completeness of the statement of budgeted versus actual amounts could not be confirmed.

2. Unsupported Payments

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects boarding and school fund expenditure amount of Kshs.18,639,174. However, review of payment vouchers amounting to Kshs.873,090 revealed that the amount was not supported by requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments, acknowledgement receipts for goods and services.

In the circumstances, the accuracy and completeness boarding and school fund expenditure amount of Kshs.18,639,174. could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial assets and liabilities and as disclosed in Note 10 and Note 11 to the financial statements reflects cash and cash equivalents balance of Kshs.816,317. However, review of the cash books revealed that seven (7) bank accounts with a balance of Kshs.65,016 were not supported with cash books and bank reconciliation statements and three (3) bank accounts were dormant. Further, it was noted that fees collections are posted as a lumpsum instead of the individual transactions.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.816,317 could not be confirmed.

4. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts receivables balance of Kshs.35,513,380. Included in the balance is fees receivable of Kshs.35,384,735 out of which Kshs.28,174,291 had been outstanding for more than three years. Further, the balance was not supported with detailed schedules and policy on the impairment of long outstanding fees arrears.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs.35,384,735 could not be confirmed.

5. Unsupported Biological Assets Balances

Note 16 to the financial statements on other important disclosure reflects biological assets balance of Kshs.525,000 which relates to cattle at Kshs.450,000, hybrid cashew nut trees at Kshs.30,000 and pineapple sacks at Kshs.45,000. However, Management did not disclose the method and significant assumptions applied in determining the fair value of the biological assets. In addition, Management did not provide supporting documents and details on acquisition dates and cost, dates of birth for the cattle, records of any deaths, survival rates of the cashew nut trees and the pineapple sacks.

In the circumstances, the valuation and presentation and disclosure of biological assets balance of Kshs.525,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Sokoke Boys 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.

Emphasis of Matter

Long Outstanding Trade Payables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts payables balance of Kshs.9,668,153. Included in the amount is trade creditors of Kshs.7,994,478 out of which Kshs.2,836,771 has been

outstanding for more than two years. This was contrary to Section 53(8) of the Public Procurement and Disposal Act, 2015 which requires an accounting officer not to commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates and are available.

Failure to settle bills during the year to which they relate adversely affects the budgetary provisions for the subsequent year as they form a first charge.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

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.

Other Information

The Management is responsible for the Other Information set out on pages iii to xviii which comprise of Key School Information and Management, Summary Report of the Performance of the School and Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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

1. Declining School Revenue

The statement of financial performance reflects total receipts of Kshs.20,497,493. However, income from school fund income-parent's contribution declined from Kshs.17,068,492 in 2024 to Kshs.13,619,760 in 2025. Further, government grants for operation declined from Kshs.4,628,608 in 2024 to KSh.3,238,502 in 2025 while tuition income declined from Kshs.1,121,575 in 2024 to Kshs.1,045,906 in 2025.

The continued decline in revenue may hinder the school's ability to meet operational and recurrent expenses on time, leading to delayed payments to suppliers and staff, reduced maintenance of facilities and learning resources, compromised quality of education and service delivery, and ultimately long-term financial instability of the school.

2. Declining Academic Performance and Low Transition Rate to Higher

Review of the school's KCSE performance over the last three years indicates fluctuating academic performance and consistently low transition rates of candidates to higher learning institutions. The school mean grade declined from 4.867 (C-) in 2022 to 3.91 (D+) in 2023, before slightly improving to 5.0 (D+) in 2024 and 2025, remaining below the level required for significant university qualification. Additionally, the number of candidates transitioning to higher learning institutions remained low relative to total candidature. Out of one hundred and five (105) candidates in 2022, only twenty-seven (27) students transitioned to higher institutions. In 2023, twenty-three (23) out of one hundred (100) candidates transitioned, while in 2025, twenty-two (22) out of eighty-eight (88) candidates achieved transition, indicating limited progression despite slight performance improvement.

Continued low academic performance may result in reduced student transition to higher institutions, diminished school reputation, decreased enrolment levels, and limited future opportunities for learners.

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. Irregularities in Transfer of Infrastructure Funds

The statement of financial performance and as disclosed in Note 2 to the financial statements reflects operations grants amount of Kshs.3,238,502. Included in the amount is Kshs.100,000 in respect of infrastructure grants for maintenance and improvement of the school's facilities which was not transferred to infrastructure bank account. Further, an amount of Kshs.687,500 was transferred to the infrastructure account from operations account after the lapse of fifteen (15) days. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

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

2. Failure to Prepare Annual Procurement Plan

The statement of receipts and payments reflects total payments amount of Kshs.22,871,516. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'. In addition, Management had not made training arrangements to capacity build the existing personnel in the stores.

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

3. Failure to Comply with the Gender Rule

During the year under review, the Board of Management comprised thirteen (13) members, out of whom ten (10) or 77% were male, while three (3) or 23%, were female. Similarly, the Board of Management had employed thirteen employees out of whom eleven (11) or 85% were male while two (2) or 15%, were female. This was contrary to Section 57(2) of the Basic Education Act, 2013, which requires nominating and appointing authorities to observe and respect ethnic and regional diversity, impartiality, gender equity, and the provisions of Article 10 and Chapter Six of the Constitution.

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

4. Under Funding of Capitation Grant Per Student

The statement of financial performance and as disclosed in Note 1, Note 2 and Note 3 to the financial statements reflect government grants for tuition, operation and infrastructure amount of Kshs.1,045,906, Kshs.3,238,502 and Kshs.1,182,750 respectively. However, analysis of the capitation received revealed under-funding in tuition, operation and infrastructure amount of Kshs.143,205, Kshs.580,048 and Kshs.173,250 respectively totalling Kshs.800,717. The underfunding was contrary to Circular Ref No. MOE.HQS/3/10/18 (62) on guidelines on implementation of free day secondary education dated 05 October, 2022.

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

5. Irregular Procurement of Goods and Services

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects boarding and school fund expenditure amount of Kshs.18,639,174. However, review of payment vouchers amounting to Kshs.619,690 revealed cash payments above the stipulated threshold of Kshs.50,000 and they were not supported with Electronic Tax Register receipts. This was contrary to Section 103(2)(a) of the Public Procurement and Assets Disposal Act, 2015 which states that a procuring entity may use direct procurement if the goods, works or services are available only from a particular supplier or contractor or a particular supplier or contractor has exclusive rights in respect of the goods, works or services, and no reasonable alternative or substitute exists.

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

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

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects operations expenditure of Kshs.3,774,208. Included in the expenditure is an amount of Kshs.364,500 transferred to Kenya Secondary School Heads Association (KESSHA) a welfare organization which is not defined in Government Funding system. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside the Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, value for money transferred to KESSHA, amounting to Kshs.364,500 could not be confirmed.

7. Stalled Laboratory Project

Review of project records held at the school revealed the site for construction laboratory was handover on 23 May, 2022. However, Management explained that the construction was being implemented by the Ministry of Education and they did not have any other documents including signed contract, bills of quantities, payment details, certificates of completed works or information in respect to start and completion dates for this project. Further, physical verification carried out on in the March 2026 revealed that the project lacked doors, windows, electrical works, painting, labelling and equipping had not been undertaken and the contractor was not on site.

In the circumstances, value for money on the construction laboratory could not be confirmed.

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. Unreconciled School Enrolment Records Data

During the year under review the National Education Management and Information System (NEMIS) reported a total number of one thousand one hundred and forty-two (1,142) students while the school enrolment record indicated a total of one thousand two hundred and thirteen (1,213) students.

In the circumstances, the effectiveness of internal controls on determining and updating of students enrolment data in National Education Management and Information System (NEMIS) could not be confirmed.

2. Weak Controls in the Management of Imprests

The statement of financial performance and as disclosed in Note 7 to the financial statements reflects operations expenditure of Kshs.3,774,208 out of which Kshs.379,965 was incurred on local transport/traveling. However, there was no evidence of maintaining imprest warrants, imprest registers, attendance registers and work tickets.

In the circumstances, the effectiveness of internal controls on management of imprests could not be confirmed.

3. Land Without Ownership Documents

Annex 2 to the financial statements on summary of the fixed assets register reflects land with a historical cost balance of Kshs.32,000,000. However, review of the land survey documents indicated that the school occupies forty (40) acres of land but Management did not possess any ownership document such as the title deed.

In the circumstances, the ownership and valuation of land with a historical cost balance of Kshs.32,000,000 could not be confirmed.

4. Failure to Maintain Fixed Assets Register

Annex 2 to the financial statements reflects summary of fixed assets register with a historical costs balance of Kshs.34,000,000. Physical verification in the month of March 2026 revealed existence of moveable and immovable assets in the school such as land, vehicles, generator, deep freezer, desktops, printers, duplicating machine. However,

Management did not maintain an asset register with details such as condition of the asset, asset tag number, estimated cost and physical location.

In the circumstances, the effectiveness of internal controls on management of fixed assets could not be confirmed.

5. Lack of Internal Audit Reports

Review of governance structures revealed that the Audit Committee had been constituted but there was no evidence of work done including receiving and deliberating internal audit reports. This is inconsistent with good governance practices and the requirements of Section 73(2)(b) of the Public Finance Management Act, 2012 regarding effective systems of internal control and oversight.

In the circumstances, the effectiveness of internal controls, risk management and governance could not be confirmed.

6. Failure to Prepare School Improvement Plan

During the year under review, Management did not have an approved School Improvement Plan (SIP) in place which is a key strategic planning tool that guides academic performance targets, infrastructure development, resource allocation, and overall institutional growth.

In the circumstances, the effectiveness of overall governance could not be confirmed and this indicates the absence of a planning tool that guides academic performance targets, infrastructure development, resource allocation, and overall institutional growth

7. Lack of Policies

During the year under review, Management had not developed and formally approved a Risk Management Policy and a recovery plan. Further, the School has two Information Technology (IT) systems but there was no Information Communication and Technology Policy. In addition, the school does not have a signed service agreement with the vendors, a documented training program and change request procedure. Management was therefore operating without a formal risk identification and assessment process, a documented risk register and defined risk mitigation strategies.

In the circumstances, the effectiveness of risk management could not be confirmed.

8. Overstretched and Damaged School Facilities

During the year under review, it was noted that the school operates with only one computer laboratory which is not equipped with desktop computers and a single library serving the entire student population of three hundred and thirty-six (336). Further, the dining hall had poor lighting and ventilation, insufficient seating tables, damaged kitchen serving areas and cracked floors. In addition, the dormitories were overcrowded, the walls had visible cracks, the paint was peeling off and spacing between the beds is less than the required 1.2 meters while the pathways do not meet the minimum width of 2 meters.

Also, some classrooms had leaking roofs, damaged electrical fittings, broken and missing windowpanes.

In the circumstances, inadequate and damaged facilities affect the learning environment which may impact negatively the quality of study and safety of students as well as operational efficiency.

9. Weakness in Textbooks Management

Physical verification and audit review of issuance records for three (3) sampled classes for the year 2025 established a shortfall of textbooks, which had been reported as lost but had neither been recovered nor replaced as at February 2026. Further, there was no formal recovery policy or documented management actions to enforce accountability for the loss of these learning materials.

In the circumstances, the effectiveness of internal controls on textbook management could not be confirmed.

10. Use of Manual Systems

During the year under review, it was observed that Management has been using manual system in preparation of financial statements, maintenance of ledgers and maintaining students' data. However, manual systems have low efficiency, high rates of human error, time-consuming to maintain, often resulting in inconsistent data, limited security, and an inability to provide real-time information.

In the circumstances, the effectiveness of internal controls on manual systems used by the school could not be confirmed.

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

Responsibilities of the Management and Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 May, 2026

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	1,045,906	1,121,575
Government grants for operations	2	3,238,502	4,628,608
Government grants for Infrastructure	3	1,182,750	820,400
School fund income- parents' contributions	4	13,619,760	17,068,492
Miscellaneous incomes	5	1,410,575	2,989,597
Total Revenue		20,497,493	26,628,672
Expenditure			
Tuition	6	456,386	1,101,665
Operations	7	3,774,208	4,267,281
Infrastructure	8	1,748	41,436
Boarding and school fund	9	18,639,174	25,737,522
Total Expenditure		22,871,516	31,147,904
Surplus/Deficit		(2,374,023)	(4,519,232)

The school financial statements were approved on 30th June 2025 and signed by:

.....
Name: JACOB KHONDE

Chair BOM

Date: 13/4/26

.....
Name: TIMOTHY MALIU
School Principal/ Secretary to
BOM

Date: 13/4/26

PRINCIPAL
SOKOKE BOYS HIGH SCHOOL
P.O. Box 237 - 80108, MALILU
12/4/26 Sign:

.....
Name: NDAACE WANGI
KANGA
Bursar/ Finance Officer

Date: 10/04/2026

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	10	811,656	470,580
Cash balances	11	4,661	250,584
Total cash and cash equivalent		816,317	721,164
Account's receivables	12	35,513,380	38,061,048
Total financial assets (a)		36,329,697	38,782,212
Financial liabilities			
Accounts payables	13	9,668,153	8,940,510
Total Financial Liabilities (b)		9,668,153	8,940,510
Net financial assets (a-b)		26,661,544	29,841,702
Represented by			
Accumulated fund b/fwd	14	26,661,544	29,841,702
Surplus/deficit for the year		(2,374,023)	(4,519,232)
Net Assets		24,287,521	25,322,470

The school's financial statements were approved on 30th June 2025 and signed by:

.....
 Name: JACOB KHONOE
 Chair BOM
 Date:

.....
 Name: TIMOTHY MASHU
 School Principal/ Secretary to
 BOM
 Date: 13/4/26

.....
 Name: NARRIS WANJE KANGU
 Bursar/ Finance Officer
 Date: 10/04/2026

PRINCIPAL
 SOKOKE BOYS HIGH SCHOOL
 P.O. Box 287 - 80100, KILIFI
 Date: 13/4/26 Sign: [Signature]

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

Description	Note	2024-2025	2023-2024
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,045,906	1,121,575
Government grants for operations		3,238,502	4,628,608
Government grants for infrastructure		1,182,750	820,400
School fund income- parents contributions/ fees		12,752,383	17,068,492
Other income		1,410,575	2,989,597
Total receipts		19,630,116	26,628,672
Payments			
Cash outflows for tuition		1,127,442	1,101,665
Cash outflows for operations		3,780,508	4,267,281
Cash outflows Boarding/lunch and school fund payments		17,836,759	25,737,522
Cash outflow for Infrastructure-bank charges		1,748	41,436
Total payments		22,746,457	31,147,904
Net cash inflow/outflow from operating activities		(3,116,341)	(4,519,232)
Cash flow from investing activities			
Net increase/decrease in cash and cash equivalents		(3,116,341)	(4,519,232)
Cash and cash equivalent at beginning of the FY		<u>721,164</u>	2,566,734
Cash and cash equivalent at end of the FY		816,301	<u>721,164</u>

The school's financial statements were approved on 30th June, 2025 and signed by:

.....
 Name: JACOB KHONDE
 Chair BOM
 Date: 13/4/26

.....
 Name: JIMONJI MALILI
 School Principal/ Secretary to BOM
 Date: 13/4/26

.....
 Name: NABRU WANGE
 KANGU
 Bursar/ Finance Officer
 Date: 15/04/26



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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	27,545	0	27,545	17,795	65%
Exercise Books	629,600	0	629,600	403,706	64%
Laboratory Equipment	158,974	0	158,974	101,965	64%
Teaching / Learning Materials	759,455	0	759,455	486,850	64%
Exams And Assessment	55,090	0	55,090	35,589	64%
(2) Capitation Grant on Operations					
Personnel Emoluments	2,164,250	0	2,164,250	1,647,007	76%
Repairs And Maintenance	1,967,500	0	1,967,500	1,282,750	65%
Local Transport / Travelling	681,935	0	681,935	475,433	70%
Electricity And Water	295,519	0	295,519	293,458	99%
Medical	255,775	0	255,775	176,810	69%
Administration Costs	539,882	0	539,882	285,119	53%
Activity	590,250	0	590,250	260,673	44%
3) FDSE for infrastructure					
(4) Fees Charged on Parents					
Personnel Emoluments	2,164,250	0	2,164,250	1,377,778	64%
Repairs And Maintenance	787,000	0	787,000	573,733	73%
Local Transport / Travelling	649,275	0	649,275	248,454	32%

Sokoke Boys 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
Electricity And Water	1,050,645	0	1,050,645	1,238,750	118%
Administration Costs	727,975	0	727,975	563,495	77%
Activity	196,750	0	196,750	59,540	30%
Fee On Boarding Equipment and Stores	8,196,605	0	8,196,605	8,690,633	106%
Total Income	21,898,275	0	21,898,275	21,898,275	83%
(6) Expenditure For Tuition					
Reference Materials	27,545	0	27,545	0	
Exercise Books	629,600	0	629,600	167,040	27%
Laboratory Equipment	158,974	0	158,974	142,774	90%
Teaching / Learning Materials	759,455	0	759,455	129,600	17%
Exams And Assessment	55,090	0	55,090	15,000	27%
(7) Expenditure For Operations					
Personnel Emoluments	2,164,250	0	2,164,250	1,348,752	62%
Repairs, Maintenance & Improvements	1,967,500	0	1,967,500	0	0
Local Transport / Travelling	681,935	0	681,935	379,965	56%
Electricity, Water and Conservancy	295,519	0	295,519	190,557	64%
Medical	255,755	0	255,755	0	0
Administration Costs	539,882	0	539,882	988,682	183%
Activity Expenses	590,250	0	590,250	743,050	126%
(8) Expenditure For infrastructure					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	2,164,250	0	2,164,250	3,563,812	165%

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
Repairs, Maintenance and Improvements	787,000	0	787,000	16,200	3%
Local Transport / Travelling	649,275	0	649,275	1,160,638	179%
Electricity, Water and Conservancy	1,050,645	0	1,050,645	971,564	93%
Administration Costs	727,975	0	727,975	1,056,612	145%
Activity	196,750	0	196,750	210,760	107%
Boarding Equipment and Stores	8,196,605	0	8,196,605	9,682,093	118%
Totals	21,898,275	0	21,898,275	20,767,099	95%

- i. Underutilization as a result of drop in enrolment
- ii. Overutilization as a result of prices inflation.

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	17,795	18,913
Exercise Books	403,706	433,776
Laboratory Equipment	101,964	109,313
Internal Exams	35,590	37,873
Teaching / Learning Materials	486,851	521,700
Total	1,045,906	1,121,575

2 Government Grants for Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	1,647,006	1,749,273
Repairs And Maintenance-Transferable	100,000	956,700
Local Transport / Travelling	475,434	571,5420
Electricity And Water	293,459	355,899
Medical	176,810	143,960
Administration Costs	285,120	348,745
Activity	260,673	502,489
Total	3,238,502	4,628,608

3 Government Grants for infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Maintenance & Improvement	1,182,750	820,400
Total	1,182,750	820,400

4 School Fund Income - Parents Contribution/Fees

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel emoluments	1,848,000	1,530,654
Repairs and maintenance	672,000	641,302
Local transport / travelling	554,400	463,556
Electricity and water	1,310,400	1,206,713
Administration costs	621,600	569,062
Activity	84,000	66,337
Fee on Boarding Equipment and stores	8,529,360	12,590,868
Total	13,619,760	17,068,492

5 Miscellaneous Incomes

Description	2024-2025	2023-2024
	Kshs	Kshs
Income From Farming Activities	427,375	549,155
Income From Bus Hire	764,700	701,000
Tender	28,000	25,000
Damages	0	1,617,332
Miscellaneous Income	0	19,120
Losses & Recoveries	0	30,390
Other Incomes	190,500	47,600
Total	1,410,575	2,989,597

6 Tuition

Description	2024-2025	2023-2024
	Kshs	Kshs
Exercise Books	167,040	250,000
Laboratory Equipment	142,774	552,780
Teaching / Learning Materials	129,600	297,200
Exams And Assessment	15,000	0
Bank Charges	1,972	1,685
Total	456,386	1,101,665

7 Operations

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	1,348,752	1,965,531
Administration Cost	984,074	556,776
Local Transport / Travelling	379,965	522,000
Electricity And Water	190,557	240,354
Medical	0	60,010
Activity Expenses	743,050	795,910
Others		
Laboratory Equipments	3,450	0
Bom Teachers Salaries	124,360	126,700
Total	3,774,208	4,267,281

8 Infrastructure

Description	2024-2025	2023-2024
	Kshs	Kshs
Others -Bank Charges	1,748	41,436
Total	1,748	41,436

9 Boarding And School Fund

Description	2024-2025	2023-2024
	Kshs	Kshs
Personnel Emoluments	3,563,812	2,622,632
Service Gratuity	1,460,934	50,000
Repairs And Maintenance & Improvements	16,200	286,107
Local Transport / Travelling	1,160,638	1,632,664
Electricity And Water	971,564	1,390,443
Administration Costs	1,056,612	988,821
Bank Charges on savings account	1,663	0
Expenses On Income Generating Activities	510,448	563,850
Fee On Boarding Equipment and Stores	9,683,093	13,442,019
Bus Maintenance	0	726,339
Tender	3,450	9,850.00
Dorm Damages	0	2,304,688
Activity	210,760	1,710,769
Laboratory Expenses	0	9,310
Total	18,639,174	25,737,522

Sokoke Boys 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
Tuition Account	Active	1102273090	3,248	32,835
Operations Account	Active	1102273848	43,898	865,496
School Fund Account/Boarding	Active	1102266744	(140,906)	(517,040)
Salaries Savings Account	Active	1169856144	4,909	5,517
Parent Association Development Account	Active	1101524235	607	(73,740)
Income Generating Activities Account	Active	1101524138	28,648	5,993
Infrastructural Account	Active	1174820284	840,400	179,397
Bus Fund	Active	1132935296	10,575	36,006
Caution Money	Active	1101553456	937	1,745
CDF	Dormant	1136687157	996	16,598
Development	Active	1060294152340	7,711	(92,860)
Bursary	Dormant	1060297237820	9,795	9795
Computer	Dormant	1060196597829	838	838
Total			811,656	470,580

11 Cash In Hand

Description	2024-2025	2023-2024
	Kshs	Kshs
Notes and Coins	4,661	250,584
Total	4,661	250,584

12 Accounts Receivable

Description	2024-2025	2023-2024
	Kshs	Kshs
Fees Arrears	35,384,735	38,061,048
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	0	0
Imprest (list/schedule attached)	7,740	0
Statutory deductions (list/schedule attached)	120,905	0
Total	35,513,380	38,061,048

13 b) Ageing Analysis of Accounts Receivable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current 2024/2025	% of the total	Comparative 2023/2024	% of the total
Less than 1 year	867,377	2%	8,585,209	23%
Between 1- 2 years	1,419,851	4%	2,488,020	7%
Between 2-3 years	4,923,216	14%	26,987,819	70%
Over -3 years	28,174,291	80%	0	0%
Imprest	7,740	0%	0	0%
Statutory deductions	120,905	0%	0	0%
Total (should tie to note 13 a)	35,513,380	100%	38,061,048	100%

13 Accounts Payable

Description	2024-2025	2023-2024
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	7,994,478	8,553,047
Prepaid Fees	0	387,463
Unpaid salaries and statutory deductions	1,673,675	0
Total	9,668,153	8,940,510

14a. Ageing Analysis of Accounts Payable

Description	2024-2025		2023-2024	
	Kshs		Kshs	
	Current 2024/2025	% of the total	Comparative 2023/2024	% of the total
Less than 1 year	3,512,164	33%	2,178,357	22%
Between 1- 2 years	1,645,543	16%	2,919,042	38%
Between 2-3 years	2,836,771	29%	3,455,648	35%
Prepaid	0	0%	387,463	5%
Unpaid salaries and statutory deductions	1,673,675	17%	0	0
Total (should tie to note 14)	9,668,153	100%	8,940,510	100%

14 Fund Balance Brought Forward

Description	2024-2025	2023-2024
	Kshs	Kshs
Bank Balances	811,656	470,580
Cash Balances	4,661	250,584
Receivables	35,513,380	38,061,048
Payables	(9,668,153)	(8,940,510)
Total	26,316,497	29,841,702

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.

The valuation of the biological assets was done through current market price method.

15 Non-current Liabilities Summary

Description	2024-2025	2023-2024
	Kshs	Kshs
Gratuity And Leave Provision	1,224,708	0
Total	1,224,708	0

16 Biological assets

Description	Numbers	2024-2025	2023-2024
		Kshs	Kshs
Cattle	08	450,000	415,000
Trees Hybrid Cashewnut tree	1000	30,000	30,000
Others (specify) Pineapples sacks	1500	45,000	45,000
Total		525,000	490,000

Other important disclosure notes

The valuation of the stock/inventory was done through current market price method.

17 Stock/ Inventory

Description	2024-2025	2023-2024
	Kshs	Kshs
Food stuffs	220,475.00	136,189
Lab consumables	92,000.00	108,207
Others - Stationary	113,555.00	184,645
	426,030	429,041

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)
1	Fixed Assets Managemnet	The BoM came up with resolution of procuring and maintain assets register	Resolved.	On Going
2	Sundry Creditors	The BoM came up with policies to ensure that creditors are paid in the due time.and also.	Partially Resolved	On Going
3	Sundry Debtors	The BoM came up with a policy to ensure fees are paid by introducing meals cards	Partially Resolved	On Going.

CL
 Sign and Date
 Principal



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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 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Msenangu Butchery	2,764,042	13/7/2022	248,645	2,515,397	2,544,470	Payment on Going
2. Nosha Limited	981,500	1/7/2021	-	981,500	981,500	Payment On Going
3. Grandlab Digital Fixers	453,629	1/7/2021	-	453,629	453,629	Payment On Going
4. Salcomm Investment	84,500	1/7/2021	-	84,500	43,500	Payment On Going
5. Lianex Enterprise	1,278,350	1/7/2023	1,278,350	0	1,278,350	Completed
6. Macmos Investment	864,600	1/7/2022	250,000	614,600	864,600	Payment On Going
7. Jubesi Enterprises	25,795	1/7/2023	-	25,795	21,700	Payment On Going
8. Janyazi General Supplies	422,170	1/7/2024	265,555	156,615	-	Payment On Going
9. Lizam Enterprises	698,996	1/7/2023	429,475	269,521	323,637	Payment On Going
10. Scot Books & Stationary	296,440	13/7/2023	162,880	133,560	129,400	Payment On Going
11. Skylize Collections	669,550	1/7/2023	205,360	464,190	233,470	Payment On Going
12. Barani Books	250,650	1/7/2022	105,650	145,000	250,650	Payment On Going

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2024-2025	Outstanding Balance Comparative 2023-2024	Comments
13. Science Lab	331,226	1/7/2021	-	331,226	331,226	Payment On Going
14. Mediscope Enterprise	149,555	1/7/2021	149,555	0	149,555	Completed
15. Grade Boosters	56,000	1/7/2021	-	56,000	56,000	Payment On Going
16. Digital Sports House	200,400.	1/7/2024	83,400	117,000	17,900	Payment On Going
17. Joseph Bahati	96,770	1/7/2024	64,675	32,095	0	Payment On Going
18. Mariakani School Plus	402,070	1/7/2023	230,700	171,370	130,700	Payment On Going
19. Rofaro Investment	181,250	1/7/2023	181,250	0	143,050	Completed
20. Mungeh Holding Limited	70,720	1/7/2023	-	70,720	70,720	Payment On Going
21. Beka Bright	44,000	1/7/2024	40,000	4,000	0	Payment On Going
22. Kilifi New Face Enterprises	395,890	1/7/2022	70,000.	325,890	395,890	Payment On Going
23. Pেকেle Stationary	212,450	1/7/2023	184,130	28,320	0.00	Payment On Going
24. Ziyah Investment	24,000.		-	24,000	24,000	Payment On Going
25. Shongoro Autospares	89,000.		-	89,000	89,000	Payment On Going
26. Shania Investment	20,100		20,100	0	20,100	Completed
27. Nemaya Investment	3,989,150	1/7/2024	3,088,600.	900,550	0	Payment On Going.
Sub-Total	15,052,803		7,058,325	7,994,478	8,553,047	
Grand Total	15,052,803		7,058,325	7,994,478	8,553,047	

Annex 2 – Summary of Fixed Assets Register

Asset Class	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	32,000,000.00	0	0	32,000,000.00
Buildings And Structures				
Dormitories 04				
Toilets 44				
Classroom 14				
DH 01				
Teachers Hse 01				
Lboratory 01				
Admin Block 01				
Motor Vehicles	2,500,000.00	0	0	2,000,000.00
Office Equipment, Furniture and Fittings				
Staff Tables 35				
Staff Chairs 45				
Students Lockers 405				
Students Chairs 335				
Class Tables 12				
Dinning Tables 25				
Dinning Benches 37				
Generator 01				
Textbooks				
ICT Equipment				
Desktop 10				
Laptop 04				
Printers 06				

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Asset Class	Historical Cost b/f (Kshs) 1st July 2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2025
Duplicating Machine 01				
Tools And Apparatus				
Other Machinery and Equipment				
Dough Mixer 01				
Weighing Machine 01				
Welding machine 01				
Powersaw 01				
Loam mower 01				
Wheelbarrow 01				
Students Tea urn 01				
Deep Freezer -02				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				

